COUNCIL PROCEEDINGS
PUBLISHED BY THE AUTHORITY OF THE CITY COUNCIL
OF BLOOMINGTON, ILLINOIS

The Council convened in regular Session in the Council Chambers, City Hall Building, at 7:02 p.m., Monday, April 22, 2013.

The Meeting was opened by Pledging Allegiance to the Flag followed by moment of silent prayer.

The Meeting was called to order by the Mayor who directed the City Clerk to call the roll and the following members answered present:

Aldermen: Judy Stearns, Mboka Mwilambwe, Jamie Mathy, David Sage, Robert Fazzini, Jennifer McDade, Steven Purcell, Karen Schmidt, Jim Fruin and Mayor Stephen F. Stockton.

City Manager David Hales, City Clerk Tracey Covert, and Corporate Counsel Todd Greenburg were also present.

The following was presented:

Mayor Stockton introduced Dan Rutherford, State of Illinois Treasurer. Mr. Rutherford had served in the General Assembly as a State Representative and State Senator.

Dan Rutherford, State Treasurer, addressed the Council. He stated his intention to recognize Mayor Stockton's service to the City. He recalled previous Mayors that he had known, (Walt Bittner, Rich Buchanan, Jesse Smart and Judy Markowitz). Each mayor had different concerns. Each had addressed various projects utilizing the City's various revenue streams. This evening, he wanted to say thank you to Mayor Stockton. The City should be proud. He cited the City's growth and infrastructure improvements during the past eight (8) years. Bloomington was a wonderful community. The City was prepared to address its challenges. He cited economic growth and revenues. The City had a variety of businesses from Avanti's to State Farm. He noted the community's colleges and universities. The City was prepared for tomorrow. The state was facing a number of challenges. Rick Perry, Texas Governor, was in Illinois today. He cited the political dynamics. The state could do better. It was a great place. He cited the state's infrastructure such as rail, road, water, and air. The City was about to begin a new chapter. The state would be a good teammate with the City. Mr. Rutherford noted that State Representative Keith Sommer was also present at this evening's meeting.

Mayor Stockton requested that Mr. Rutherford address the state's finances. Mr. Rutherford noted that the state's fiscal year started in July. Natural revenue growth in the state equaled $600 million. The payment into the state's pension funds equaled $945 million. The recent income tax increase would be directed to pensions. The state will need

to reduce the budget by several millions. This would mean cuts to education and public safety. He cited the reduction amount $345 million. He cited various options: tax increases, budget cuts and Local Government Distribution Fund, (LGDF). He did not believe that any of these were good options. As State Treasurer, he had reduced his budget three (3) years in a row. The state needed to address its public pension funds. Local communities were the who and what of Illinois. Cuts to LGDF would hurt local communities. He compared LGDF to the federal dollars that are provided to the state. It was going to be a difficult year.

Alderman Stearns cited the various pension plans, the various proposals and constitutional issues.

Mr. Rutherford believed that the solution needed to be fair. The General Assembly needed to propose a solution and take action regardless of potential litigation. He could not answer the question if the state had the ability to diminish pensions. He stated that the annual compounded three percent (3%) increase was not sustainable. Recently, the state's teacher pension fund had sold assets to make pension payments. He also questioned the hundred percent (100%) covered health insurance benefit. He suggested that a means test be applied based upon pension costs. The debate was not happening in the General Assembly.

He restated that the solution needed to be fair to all; this included retired employees and taxpayers. He believed that the General Assembly would look at LGDF and the tax structure.

Mayor Stockton expressed his appreciation for Mr. Rutherford's comments. The City has faced challenges but it has not been anything like the state. The state's action will impact every local community.

Mr. Rutherford would continue to work with the City. He thanked Mayor Stockton for his service and expressed his appreciation.

Mayor Stockton thanked Mr. Rutherford for attending.

The following was presented:

SUBJECT: Proclamation

RECOMMENDATION/MOTION: That the proclamation be made a matter of record.

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Goal 1. Objective c. Engaged residents that are well informed and involved in an open governance process.

BACKGROUND: The proclamation will be presented:

1. Declaring May 5 – 11, 2013 as Municipal Clerks Week.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Not applicable.

Respectfully submitted for Council consideration.

Prepared by: Tracey Covert, City Clerk

Recommended by:

David A. Hales
City Manager

Mayor Stockton noted that this was his last meeting. He described the Municipal Clerk as a city's foundational rock. He read and presented the Municipal Clerk's Week Proclamation to Tracey Covert, City Clerk. He was proud to recognize Ms. Covert, the City's Municipal Clerk.

Motion by Alderman Fazzini, seconded by Alderman Fruin that the proclamation be made a matter of record.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Council Proceedings of April 8, 2013 and Citizen Voice Meeting of February 27, 2013

RECOMMENDATION/MOTION: That the reading of the minutes of the previous Council Proceedings of April 8, 2013 and Citizen Voice Meeting of February 27, 2013 be approved.

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1.d. City services delivered in the most cost-effective, efficient manner.

BACKGROUND: The Council Proceedings of April 8, 2013 have been reviewed and certified as correct and complete by the City Clerk.

In compliance with the Open Meetings Act, Council Proceedings must be approved within thirty (30) days after the meeting or at the Council's second subsequent regular meeting whichever is later.

In accordance with the Open Meetings Act, Council Proceedings are made available for public inspection and posted to the City's web site within ten (10) days after Council approval.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Not applicable.

Respectfully submitted for Council consideration.

Prepared by: Tracey Covert, City Clerk

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fazzini, seconded by Alderman Fruin that the reading of the minutes of the previous Council Proceedings of April 8, 2013 and Citizen Voice Meeting of February 27, 2013 be approved.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Bills and Payroll

RECOMMENDATION/MOTION: That the bills and payroll be allowed and orders drawn on the Treasurer for the various amounts as funds are available.

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1.d. City services delivered in the most cost-effective, efficient manner.

BACKGROUND: The list of bills and payrolls will be posted on the City's website on Thursday, April 18, 2013 by posting via the City's web site.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Total disbursements information will be provided via addendum.

Respectfully submitted for Council consideration.

Prepared by: Tracey Covert, City Clerk

Financial & budgetary review by: Patti-Lynn Silva, Director of Finance

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fazzini, seconded by Alderman Fruin that the bills and payroll be allowed and the orders drawn on the Treasurer for the various amounts as funds are available.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: File FY2012 Single Audit Report as Audited

RECOMMENDATION/MOTION: That the report be received and placed on file.

STRATEGIC PLAN LINK: Goal 1 – Financially Sound City Providing Quality Basic Services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1.a. - The production of the City's annual single audit report and process by a qualified independent entity is required when in receipt of federal funding.

BACKGROUND: The City's Single Audit Report was issued on March 7, 2013 by Sikich, LLP an independent audit firm who conducts a compliance audit for major federal grant funding programs under OMB circular A-133. The City's major federal programs are Capitalization Grants for Clean Water State Revolving Funds, Capitalization Grants for Drinking Water State Revolving Funds, and Wildlife Restoration and Basic Hunter Education. Sikich found the City complied, in all material respects, with the compliance requirements of its major federal programs.

The Council has previously been forwarded the Single Audit Report.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: None.

FINANCIAL IMPACT: The Single Audit Act of 1984 standardized audit requirements for States, local governments, and Indian tribal governments that receive and use federal financial assistance programs (grants). The Single Audit encompasses an examination of the City's financial records, financial statements, federal award transactions and expenditures, the general management of its operations, internal control systems, and federal assistance it received during the audit period.

Respectfully submitted for Council consideration.

Prepared by & financial review by: Patti-Lynn Silva, Director of Finance

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fazzini, seconded by Alderman Fruin that the report be received and placed on file.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Purchase of Replacement Ramps and Stage Pieces for the US Cellular Coliseum (USCC) Compliant with the American with Disabilities Act (ADA) Accessibility Guidelines

RECOMMENDATION/MOTION: That the purchase of new ADA compliant ramps and additional stage pieces and barricades for the USCC from StarRight Corporation, in the amount of $41,075, be approved the Purchasing Agent be authorized to issue a Purchase Order.

STRATEGIC PLAN LINK: Goal 2. Upgrade City Infrastructure Facilities.

STRATEGIC PLAN SIGNIFICANCE: Goal 2. Objective D. Customer friendly, easily accessible city facilities and buildings.

BACKGROUND: In response to a complaint from the public, the Disability Rights Bureau of the Illinois Attorney General's Office (AG) had the USCC inspected for compliance with the ADA and the Illinois Accessibility Code. Representatives from the AG's Office inspected the building on December 20, 2010 and for a second time in August 22, 2011. One (1) finding from the two (2) inspections was in relationship to the slope of the portable ramps used for access to the main floor. The find indicated the portable ramps were too steep. Currently, the ADA ramps do not comply with the ADA Code. In addition, the design of the ramp, which extends into the actual seating area, reduces the seat capacity, (eliminates between 50 - 80 premium seats), and has a direct adverse impact on revenue. This adverse impact, on average, reduces revenue for the USCC by $3,200 for each event.

Listed below is an inventory of the equipment staff recommends to purchase for new ADA compliant ramps and additional stage pieces and barricades.

- 12 Deck, 4'x8', Reversible with Black TechStage 0.095"/Black TechStage 0.095" Surfaces, Anodized Edge
- Stair - EZ Lift 48"-78" 8 Steps
- 29 CC-500 Barricade, 4' Wide
- 33 CC500 Barricade Step Extension - Optic Yellow
- 2 CC500 Barricade Thrust Assembly, Inside Corner
- 2 CC500 Barricade Thrust Assembly, Outside Corner Left
- 2 CC500 Barricade Thrust Assembly, Outside Corner Right
- 2 CC500 Barricade Corner Wedge Plate
- 4 Transport, CC500 Barricade, with Strap (8)

The total cost for these stage pieces and ramps is $41,075. Central Illinois Arena Management (CIAM) estimates the payback period to be less than one (1) year or thirteen (13) events. The City's Purchasing Agent did not release bids for this project since this purchase was processed as a sole source purchase. CIAM requested and received a quotation from StageRight Corporation on March 11, 2013.

Company	Amount of Bid	Location
StageRight Corporation	$41,075	Rancho Cordova, CA

If the purchase is approved, CIAM anticipates the components and parts to be received by May 2013.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: The FY 2013 Budget appropriated $44,000 for the installation and/or replacement of the ADA compliance ramps and pieces for the stage in line item 57107110-72140. The total cost to replace this unit is $2,925 or 6.6% below budget. Stakeholders may locate this purchase in the FY 2013 Capital, Enterprise, and Other Fund Budget document on page #378.

Respectfully submitted for Council consideration.

Prepared by: John Butler, CIAM President

Reviewed by: Mark Huber, Director of PACE

Reviewed by: Barbara J. Adkins, Deputy City Manager

Financial & budgetary review by: Timothy L. Ervin, Budget Officer

Reviewed as to legal sufficiency: Rosalee Dodson, Asst. Corporation Counsel

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fazzini, seconded by Alderman Fruin that the purchase of new ADA compliant ramps and additional stage pieces and barricades for the USCC from StarRight Corporation, in the amount of $41,075, be approved, and the Purchasing Agent be authorized to issue a Purchase Order.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Analysis of Bid for One (1) Snow Blower for the Public Works Department's Snow and Ice Division

RECOMMENDATION/MOTION: That the bid for a Fair, Snowcrete 8425I Snow Blower for the Public Works Department's Snow and Ice Division from Rahn Equipment Co., Danville IL, in the amount of $68,965, be approved and the Purchasing Agent be authorized to issue a Purchase Order.

STRATEGIC PLAN LINK: Goal 1: Financially Sound City Providing Quality Basic Services.

STRATEGIC PLAN SIGNIFICANCE: In order to be responsive to citizen needs, adequate resources must be provided to employees to fulfill the goal of providing quality basic services. This purchase will enable snow to be removed to keep roads open for emergency vehicles. This provides value to the citizen and allows services to be delivered in a cost effective manner.

BACKGROUND: The Public Works Department has identified a weakness in the snow removal emergency plan when roads become impassable with significant amounts of snow and high winds. This does not allow emergency vehicles to travel these routes which can be closed for days until endloaders can dig then out. In the past, the Town of Normal has used their snow blower to clean these routes after they have finished with their snow removal. While this is helpful, it does not allow for emergency services in a timely manner. This unit would also be utilized to remove snow from the Downtown area. The snow blower can blow snow into the back of dump trucks to speed Downtown cleanup allowing for less disruption of business.

When the City experiences significant snowfall events on a regular basis, staff needs to be prepared to handle these events. This includes the ability for first responders (Fire/Police) to be able to access all areas of the community. While staff understands that responses might be delayed, staff still needs to be able to reach citizens in need of assistance in a timely manner. As a City, the Council needs to ensure that staff has the necessary equipment to meet this need. This piece of equipment would greatly enhance staff's ability to do this. The Town of Normal has already purchased same.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: On April 2, 2013, the bids were opened and the results are as follows:

Bidder Name	**Make & Model**	**Net Amount**
Rahn Equipment Co.	Fair, Snowcrete 8425I	$68,965
Koenig Body and Equipment	Wausau, Snowgo WK-800	$90,312
R. G. Smith Equipment Co.	Tenco, TCS-172-LMM	$104,707
Steve's Equipment Service Inc.	Contant, C-815D4	$134,000
Martin Equipment		No Bid
Linco Precision		No Bid

FINANCIAL IMPACT: The FY 2011 Capital Lease Budget appropriated $95,000 for the purchase of one (1) Snow Blower in line 40110120-72140. The total cost to purchase the unit is $68,965. Stakeholders may locate this purchase in the FY 2013 Capital, Enterprise, and Other Fund Budget document on page #116.

Respectfully submitted for Council consideration.

Prepared by: Jim Karch, P.E., Director of Public Works

Reviewed by: Barbara J. Adkins, Deputy City Manager

Financial & budgetary review by: Timothy L. Ervin, Budget Officer

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fazzini, seconded by Alderman Fruin that the bid for a Fair, Snowcrete 8425I Snow Blower for the Public Works Department's Snow and Ice Division be awarded to Rahn Equipment Co., Danville IL, in the amount of $68,965, and the Purchasing Agent be authorized to issue a Purchase Order.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Analysis of Bid for Demolition of Buildings at 401 S. Prairie St. and 514 N. Howard St.

RECOMMENDATION/MOTION: That the bid for demolition of buildings at 401 S. Prairie S. and 514 N. Howard St., be awarded to Ty-Tech, Springfield, IL, in the amount of $70,979, and the Mayor and City Clerk be authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 2: Upgrade City Infrastructure and Facilities.

STRATEGIC PLAN SIGNIFICANCE: Razing these facilities can provide space for future City development of the properties and remove a blighted unsightly building from the neighborhoods.

BACKGROUND: On April 4, 2013, bids were opened and publicly read for the demolition of the City owned building at 401 S. Prairie St. with an alternate bid for 514 N. Howard St. facility. The bids are as follows:

Company	Base	Bid Option	Total
Hy-Tech Specialized, Inc. Springfield, IL	$39, 740	$31,239	$70,979
Accurate Site, Inc. Bloomington, IL	$40,800	$35,800	$76,600
River City Demolition, Inc. Peoria, IL	$58,950	$34,750	$93,700
Stark Excavating, Inc. Bloomington, IL 61701	$63,500	$35,000	$98,500
Kirk C & D, Inc. Bloomington, IL			No bid

At present these buildings are partiality used by Public Works for cold storage. The material in these facilities will be stored at another location. These buildings have no long term value to the City and the cost to repair them would be in excess of $300,000. The building on Prairie St. was originally constructed next to the railroad for meat processing and used by a local heating and cooling company for twenty (20) years before being purchased by the City. The Howard St. facility was the location of the City Water Department. Both buildings would be considered for a PACE Demolition Order. Prior to demolition, asbestos will have to be removed in both buildings. The cost for asbestos removal was included in the bid price. The Hy-Tech, Inc.'s references were contacted and all were satisfied with their completed work. In 2002, Hy-Tech was the successful contractor when the City bid the demolition of the former Mr. Quick restaurant.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Project was publicly bid.

FINANCIAL IMPACT: The FY 2013 Budget appropriated $150,000 for the demolition of buildings at 401 S. Prairie St. and 514 N. Howard St. in line item 40100100-70050. The total cost to demolish both buildings is $70,979, which is 52.6% below the budget appropriation. Stakeholders may locate this purchase in the FY 2013 Capital, Enterprise, and Other Fund Budget document on page #114.

Respectfully submitted for Council consideration.

Prepared by: Robert F. Floyd, Facilities Manager

Reviewed by: Mark R. Huber, Director - PACE

Reviewed by: Barbara J. Adkins, Deputy City Manager

Financial & budgetary review by: Timothy L. Ervin, Budget Officer

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fazzini, seconded by Alderman Fruin that the bid for demolition of buildings at 401 S. Prairie St. and 514 N. Howard St., be awarded to Ty-Tech, Springfield, IL, in the amount of $70,979, and the Purchasing Agent be authorized to issue a Purchase Order.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Analysis of Bid for Salt Dome Roof Replacement

RECOMMENDATION/MOTION: That the bid for salt dome roof replacement be awarded to Morning Dew Exterior, Inc., in the amount of $58,000, and the Mayor and City Clerk be authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 2: Upgrade City Infrastructure and Facilities.

STRATEGIC PLAN SIGNIFICANCE: Upgrading facilities by replacing a worn out roof.

BACKGROUND: A total of five (5) contractors bid this job. The results of the bid are as follows:

Company	**Total Cost**
Morning Dew Exterior, Inc. Rolling Meadows, IL	$58,000.00
Dome Corp., Inc. Saginaw, MI	$69,780.00
Advanced Wayne Cain & Sons, Inc. Springfield, IL	$95,750.00

Company	Total Cost
Union Roofing, Inc. Chenoa, IL	$99,609.75
C & D Construction, Inc. Tremont, IL	$112,000.00
Meyer Roofing, Inc. Springfield, IL	$124,500.00

The Salt Dome was constructed in 1993. The existing three (3) tab shingle roof was installed when the building was constructed and the shingles are at the end of their expected life. At present, the shingles show major signs of wear and the roof has begun to leak. The salt dome contains salt used for snow and ice removal on City streets. Excessive water from a leaking roof will cause the salt to become unusable. The new roof will be architectural style shingles with a weight of 240 pounds per 100 square feet. The shingles will have a twenty-five (25) year manufacturer's warranty. The roof replacement will include all metal drip edge, wall flashing, roof vents and replacement of all delaminated plywood decking. Morning Star's references were checked and each reference indicated their job was completed in a professional manor.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Project was publicly bid.

FINANCIAL IMPACT: The FY 2013 Budget appropriated $120,000 for the replacement salt dome in line item 40100100-72520. The total cost to replace the roof is $58,000 or 51.6% below budget. Stakeholders may locate this purchase in the FY 2013 Capital, Enterprise, and Other Fund Budget document on page #114.

Respectfully submitted for Council consideration.

Prepared by: Robert F. Floyd, Facilities Manager

Reviewed by: Mark R. Huber, Director - PACE

Reviewed by: Barbara J. Adkins, Deputy City Manager

Financial & budgetary review by: Timothy L. Ervin, Budget Officer

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fazzini, seconded by Alderman Fruin that the bid for Salt Dome Roof Replacement be awarded to Morning Dew Exterior, Inc., Rolling Meadows, IL, in the amount of $58,000, and the Purchasing Agent be authorized to issue a Purchase Order

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Analysis of Bid for Interior Painting at the Police Department

RECOMMENDATION/MOTION: That the bid for interior painting at the Police Department be awarded to Capital Painting, Inc., in the amount of $75,965, and the Mayor and City Clerk be authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 2: Upgrade City Infrastructure and Facilities.

STRATEGIC PLAN SIGNIFICANCE: Objective d. Well designed, well maintained City facilities emphasizing productivity and customer service.

BACKGROUND: On April 4, 2013, bids were opened and publicly read for interior painting at the Police Department. The bids are as follows:

Company	Base Bid	Option 1	Option 2	Total
Capital Painting, Inc. Naperville, IL	$31,415	$18,575	$25,975	$75,965
Associated Const., Inc. Bloomington, IL	$32,880	$21,380	$25,950	$80,210
Commercial Industrial, Inc. Bloomington, IL				No bid

The police facility was opened in 1998. Staff was able to keep up with the interior painting until the FY 2009 budget reductions. Since FY 2009, there has been minimal interior painting or wall repair at the police facility. The base bid is for painting and wall repair on the first floor. The first floor is the main floor and most used floor within the facility. Option 1 is to paint the second floor, while Option 2 is to paint the Lower Level 1. The bid included a price to paint based upon square footage. Capital Painting's square foot price was $1.55.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: None were contacted.

FINANCIAL IMPACT: The FY 2013 Budget appropriated $50,000 to paint the interior of the Police Department in line item 10015480-72520, (Building Repair). Staff recommends the $25,965 difference of the bid be paid from the Police Department's budget line item 10015110-72520, (Building Repair). The $25,965 will be re-appropriated from the Police Department line item 10015110-71190, (Other Supplies), which is below budget by $109,722. Staff considered re-appropriating funds in FY 2015 to complete the interior painting of the police facility. It would be optimal and less costly to paint the entire facility at one point in time. Stakeholders may locate this purchase in the FY 2013 General Fund Budget document on pages #220, #221 and #257.

Respectfully submitted for Council consideration.

Prepared by: Robert F. Floyd, Facilities Manager

Reviewed by: Mark R. Huber, Director - PACE

Reviewed by: Barbara J. Adkins, Deputy City Manager

Financial & budgetary review by: Timothy L. Ervin, Budget Officer

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fazzini, seconded by Alderman Fruin that the bid for Interior Painting at the Police Department be awarded to Capital Painting, Inc., Naperville, IL, in the amount of $75,965, and the Purchasing Agent be authorized to issue a Purchase Order.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Analysis of Request for Proposal (RFP) for Property Condition Assessment at Forty (40) Selected City Facilities

RECOMMENDATION/MOTION: That the RFP for property condition assessment at forty City facilities be awarded to Faithful & Gould, Inc., Chicago, IL, in the amount of $54,200, and the Mayor and City Clerk be authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 2: Upgrade City Infrastructure and Facilities.

STRATEGIC PLAN SIGNIFICANCE: The assessment will provide a detailed evaluation of existing conditions and a ten (10) year plan for building system replacement at forty (40) City owned facilities.

BACKGROUND: On March 21, 2013, proposals were received at the City Clerk's office. The proposal prices are as follows:

Company	Proposal Price
Faithful & Gould, Inc., Chicago, IL	$54,200
EMG, Inc., Hunt Valley, MD	$45,785
PSI, Inc., Hillside, IL	$83,000
Kluber Architects & Engineers, Batavia, IL	$167,152
Farnsworth Group, Inc., Bloomington, IL	*$212,400

* *not to exceed*

A facility assessment is an architectural/engineering system evaluation of a building and property. Facilities will be evaluated and findings will be compiled in a report for each of the forty (40) sites. The building systems that will be evaluated include:

Plumbing
Electrical
HVAC
Interior finishes
Fire alarm & suppression
Specialty equipment
Slab on grade
Windows
ADA compliance
Elevators
Building envelop
Parking lots
Exterior lighting
Sidewalks
Security systems
Roofs
Foundations
Structural system

The assessment will also include an energy evaluation comparing similar facilities. This evaluation will include:

- Electrical watts per square foot
- Ventilation air in CFM per person
- Cooling capacity in square foot per ton
- Heating capacity in BTU per square foot
- Water usage per building type and occupancy
- Recommendation for decreasing energy usage

The final deliverable will be a detailed report that lists, by system, major building components. The report will establish building systems:

- Age
- Current condition

- Expected life
- Replacement schedule
- Estimated replacement cost
- ADA issues
- Life Safety hazards
- Energy efficiency compared to like facilities

Staff carefully evaluated all RFP responses and believed Faithful & Gould, Inc. would provide the best deliverable for the price. Faithful and Gould is based in Illinois and has offices throughout the country. There primary business is providing property condition assessments for government, business and individuals. Faithful & Gould yearly evaluates over thirty (30) million square feet of facilities. The staff that will evaluate the City's facilities will have a minimum of ten (10) years of experience. Faithful & Gould was the only company that provided additional information. Their proposal included a complete condition assessment that was provided to another customer.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: None were contacted.

FINANCIAL IMPACT: The FY 2013 Budget appropriated $50,000 for the property condition assessment at forty (40) City facilities in line item 10010010-70220. The total cost to conduct the property assessment is $54,200 or 8.4% above the budget. The $4,200 difference will be offset in savings from the City not proceeding with a rail yard study. Stakeholders may locate this purchase in the FY 2013 General Fund Budget document on page #139.

Respectfully submitted for Council consideration.

Prepared by: Robert F. Floyd, Facilities Manager

Reviewed by: Mark R. Huber, Director - PACE

Reviewed by: Barbara J. Adkins, Deputy City Manager

Financial & budgetary review by: Timothy L. Ervin, Budget Officer

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fazzini, seconded by Alderman Fruin that the RFP for Property Condition Assessment be awarded to Faithful & Gould, Inc., Chicago, IL, in the amount of $54,200, and the Purchasing Agent be authorized to issue a Purchase Order.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Professional Engineering Services Contract with Foth Infrastructure and Environment, LLC for Maizefield Ave. Combined Sewer Overflow (CSO) Elimination Alternatives Study and Report

RECOMMENDATION/MOTION: That the proposal from Foth Infrastructure and Environment, LLC, for a Professional Engineering Services Contract, in the amount of $49,630, be accepted, and the Mayor and City Clerk be authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 2. Upgrade City Infrastructure and Facilities, and Goal 5. Great Place - Livable, Sustainable City.

STRATEGIC PLAN SIGNIFICANCE: Objectives 2.b. and 5.b. - The proposed contract provides good stewardship and improves quality of life by investigating alternatives for eliminating the CSO at Maizefield Ave. Elimination of the CSO will improve water quality in rivers and streams, and also help the City meets its commitment to eliminate CSO under directive from the Illinois Environmental Protection Agency (IEPA).

BACKGROUND: In compliance with IEPA policy for control of CSO, the City developed a Long Term Control Plan (LTCP) to identify CSO locations as a tool to work towards elimination of CSO within the City sewer system. Of the seven (7) CSO locations originally identified, the only remaining locations are at Locust St., Colton Ave., and Maizefield Ave. The Locust/Colton CSO locations are currently under construction for elimination with Phase 1 of the Locust/Colton CSO Elimination Project. This proposed study of the Maizefield CSO would identify solutions to eliminate the CSO and provide preliminary cost estimates of alternatives. In order to stay within the budget for this study project, Public Works Department’s summer interns will be utilized to perform citizen/resident input interviews and manhole assessment/inventory field investigations.

Foth was selected using the Professional Services Quality Based Selection Process. This process involved: 1.) sending out Request for Qualifications (RFQ) specific to the project; 2.) reviewing the submitted Statement of Qualifications based on the criteria outlined in the RFQ and narrowing the twelve (12) submittals down to three (3) consultants; 3.) interviewing these three (3) consultants; and 4.) selecting a top consultant and negotiating a fee with them. These four (4) tasks are often referred to as a two (2) step professional services selection process. The City’s procurement agent reviewed this process relative to the subject contract and confirmed that the procedure was performed in accordance with applicable standards. A list of the engineering firms that submitted Statements of Qualifications and the three (3) engineering firms that were selected for interviews was provided to the Council.

In accordance with The Brooks Act - Federal Government Selection of Architects and Engineers, (Public Law 92-582), the Illinois Local Government Professional Services Selection Act, (50 ILCS 510), and the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act, (30 ILCS 535), the Quality Based Selection Process must be followed if federal or state grants, loans or any other federal or state monies are used to fund any portion of the project.

It is intended to use Foth to complete the entire project through construction plan preparation and bidding. The current contract only includes professional engineering services for the alternatives study and report. Once this initial phase is complete, preliminary and final design, including construction specifications and plan preparation, will be performed. An amendment to the contract for this future work will be created and submitted to Council for approval. Additional funding will be requested at that time. This phased approach allows the engineering firm to gather details and information needed to provide a more accurate cost for the final design and construction document preparation phase.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: The RFQ was mailed to local and other Illinois based professional engineering companies on March 1, 2013. The RFQ was also posted on the City's web site on the same date.

FINANCIAL IMPACT: The FY 2013 Budget appropriated $25,000 in the Sewer Fund in line item 51101100-72550, (Infrastructure Construction & Improvements), and $25,000 in the Storm Water Fund in line item 53103100-72550, (Infrastructure Construction & Improvements), totaling $50,000 for professional engineering services to develop a CSO elimination alternatives study for the Maizefield Ave. sewer system. The total cost of the contract to prepare this study with Foth Infrastructure and Environment, LLC is $49,630. This is $370 or 0.0074% below the budget appropriation. Stakeholders may locate this purchase in the FY 2013 Capital, Enterprise, and Other Fund Budget document on page #344 and #367.

Respectfully submitted for Council consideration.

Prepared by:	Jim Karch, P.E., CFM, Director of Public Works
Reviewed by:	Barbara J. Adkins, Deputy City Manager
Financial & budgetary review by:	Timothy L. Ervin, Budget Officer
Reviewed as to legal sufficiency:	J. Todd Greenburg, Corporation Counsel

Recommended by:

David A. Hales
City Manager

(CONTRACT ON FILE IN CLERK'S OFFICE)

Motion by Alderman Fazzini, seconded by Alderman Fruin that the proposal for Professional Engineering Services Contract from Foth Infrastructure and Environment, LLC be accepted, in the amount of $49,630, and the Mayor and City Clerk be authorized to execute the necessary documents.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Professional Engineering Services Contract with Maurer-Stutz for HoJo Pump Station Gravity Sewer Feasibility Study

RECOMMENDATION/MOTION: That the proposal from Maurer-Stutz, for a Professional Engineering Services Contract, in the amount of $49,136.50, be accepted, the contract be approved with an effective date of April 22, 2013, and the Mayor and City Clerk be authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 2. Upgrade City Infrastructure and Facilities, and Goal 6. Great Place – Livable and Sustainable City.

STRATEGIC PLAN SIGNIFICANCE: Objectives 2.b. and 6.a. - The proposed contract provides good stewardship and improves quality of life by investigating the feasibility of replacing the pump station with a gravity sewer which will have lower operating costs and reduce potential workers compensation liability issues.

BACKGROUND: The HoJo Pump Station was originally constructed in 1977 and includes a concrete wet well and steel dry well. The steel dry well is about twenty (20) feet below ground and houses the pumps, valves and controls for the station. Many of the station components are in poor condition and require repeated maintenance. Since the existing dry well is below grade, inspection and maintenance are quite difficult and require monitoring. Replacing the station with a gravity sewer or rehabilitation of the station is necessary. The services of a professional engineering company were needed to investigate the feasibility of replacing the station with a gravity sewer and design of the gravity sewer or design the rehabilitation of the existing station. Maurer-Stutz was selected using the Professional Services Quality Based Selection Process. This process involved: 1.) sending out Request for Qualifications (RFQ) specific to the project; 2.) reviewing the submitted Statement of Qualifications based on the criteria outlined in the RFQ and narrowing the twelve (12) submittals down to three (3) consultants; 3.) interviewing these three (3) consultants; and 4.) selecting a top consultant and negotiating a fee with them. These four (4) tasks are often referred to as a two (2) step professional services selection process. The City's procurement agent reviewed this process relative to the subject contract and confirmed that the procedure was performed in accordance with applicable standards. A list of the engineering firms that submitted Statements of Qualifications and the three (3) engineering firms that were selected for interviews was provided to the Council.

In accordance with The Brooks Act - Federal Government Selection of Architects and Engineers, (Public Law 92-582), the Illinois Local Government Professional Services Selection Act, (50 ILCS 510), and the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act, (30 ILCS 535), the Quality Based Selection Process must be followed if federal or state grants, loans or any other federal or state monies are used to fund any portion of the project.

The selected engineering firm will complete the entire project. The current contract only includes professional engineering services for the feasibility study. Once this initial phase is completed, final design and construction specification and plan preparation will be performed. An amendment to this contract for this future work will be created and submitted to Council for approval. Additional funding will be requested at that time. This staged approach allows the engineering firm to gather details and information needed to provide a more accurate cost for the final design and construction document preparation phase.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: The RFQ was mailed to local and other Illinois based professional engineering companies on March 1, 2013. The RFQ was also posted on the City's web site on the same date.

FINANCIAL IMPACT: The FY 2013 Budget appropriated $30,000 for a professional engineer's feasibility study of the Howard Johnson pump station gravity sewer replacement in line item 51101100-72550. The total cost of the contract with Maurer-Stutz is $49,136.50. Although the costs exceed the budget by $19,136.50, staff recommends the difference be re-allocated from a $280,000 project to replace sewer lines between the 500 to 600 block of E. Jackson St. This project was delayed in FY 2013 and re-appropriated in FY 2014. Stakeholders may locate this purchase in the FY 2013 Capital, Enterprise, and Other Fund Budget document on page #344.

Respectfully submitted for Council consideration.

Prepared by:	Jim Karch, PE, CFM, Director of Public Works
Reviewed by:	Barbara J. Adkins, Deputy City Manager
Financial & budgetary review by:	Timothy L. Ervin, Budget Control Officer
Reviewed as to legal sufficiency:	J. Todd Greenburg, Corporation Counsel

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fazzini, seconded by Alderman Fruin that the proposal for Professional Engineering Services Contract from Maurer-Stutz be accepted, in the amount of $49,136.50, with a contract approval effective date of April 22, 2013, and the Mayor and City Clerk be authorized to execute the necessary documents.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Extension of Contract with Midwest Fiber, Current Provider of Single Stream Processing for Two (2) Years

RECOMMENDATION/MOTION: That Council extend the contract with Midwest Fiber for two (2) years as allowed in the current contract for the single stream processing as mutually agreed upon, and the Mayor and City Clerk be authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 1. Financially Sound City Providing Quality Basic Services; and Goal 4. Grow Local Economy

STRATEGIC PLAN SIGNIFICANCE: Staff is recommending an extension of a current contract with a local vendor which will allow this business to remain a successful and viable entity in the community.

BACKGROUND: Since May 2010, Midwest Fiber has completed the $8 million dollar single stream MRF, (Materials Recycling Facility), on White Oak Rd., Normal, IL. The facility expansion has increased the local workforce by twenty-six (26) employees. The facility accepts single stream material throughout Central Illinois.

On April 9, 2012, the Council approved an extended agreement with Midwest Fiber to provide single stream processing service until April 30, 2013. The City continues to collect single stream recycle material from the curb throughout the City on a daily basis.

On December 17, 2012, the Town of Normal entered into a contract with Midwest Fiber as the only other vendor who could provide this service chose to stop providing services to Central Illinois since there was an existing MRF. The other vendor is Resource Management, Chicago Ridge, IL. This firm has provided services to the City in past years. With this vendor no longer providing service to the area, there is not another viable entity that staff knows of to provide this service for our single stream material. Therefore, staff is recommending that there is not the need for a Request for Proposal (RFP) process.

Midwest Fiber is offering the City the same pricing terms as the recently approved contract with Normal. The pricing terms are more directly tied to common standard industry markers. This allows staff to better trend the direction of future pricing received on our materials.

Date	**Single Stream Commodity, Rate per Ton**	**Single Stream Recycling Tons per Month**	**Single Stream Recycling Revenue or Expenditure**
May 2012	$35.88	288.32	$10,344.91
June 2012	$25.66	243.10	$6,237.96
July 2012	$10.68	244.55	$2,611.81
August 2012	$5.62	261.68	$1,470.65
September 2012	($11.82)	243.14	($2,873.94)
October 2012	($4.50)	288.54	($1,298.45)
November 2012	($2.00)	325.69	($651.38)
December 2012	$3.40	401.14	$1,363.88
January 2013	$4.10	394.66	$1,618.12
February 2013	$15.16	316.62	$4,799.91
March 2013	$17.54	333.74	$5,853.83
April 2013	$13.82	Unknown	

With a (2) two year contract term, Midwest Fiber is also offering increased education opportunities to encourage recycling with our residents.

Paradigm made a presentation to the Council on December 10, 2012. In this presentation, Paradigm stated that they did not think that they could start operating until 2016. This timing would be after the end of the proposed contract extension. In addition, Paradigm has stated that they would not need the single stream recycling material currently collected curbside by the City.

Staff has been very pleased with the service level and facility provided by Midwest Fiber over the last two and a half (2½) years.

Based upon these factors, it is staff's recommendation that the contract with Midwest Fiber be extended for two (2) years with the ability for three (3) one (1) year extensions as mutually agreed upon.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Midwest Fiber.

FINANCIAL IMPACT: The FY 2014 Budget appropriated $100,000 in revenue for the receipt of single stream material in the Solid Waste Division line item 54404400-54400. The single stream commodity chart presented above demonstrates the wide fluctuation within this market. In fact, during the months of September to November 2012, the City had to pay to dispose of the recycling material. According to IBIS World, “The next five (5) years are set to be bright for the industry. Consumers will increasingly demand products made with recycled goods. Also, higher levels of government regulation will benefit the industry by pushing potential downstream customers to use recycled goods in manufacturing processes.” This trend is expected to boost the overall market for recycled goods and help stabilize revenue volatility. Stakeholders will be able to may locate this purchase in the FY 2014 Capital, Enterprise, and Other Fund Budget document on page # 182.

Respectfully submitted for Council consideration.

Prepared by:	Jim Karch, P.E., Director Public Works
Reviewed by:	Barbara J. Adkins, Deputy City Manager
Financial & budgetary review by:	Timothy L. Ervin, Budget Officer
Reviewed as to legal sufficiency:	J. Todd Greenburg, Corporation Counsel Rosalee Dodson, Asst. Corporation Counsel

Recommended by:

David A. Hales
City Manager

RECYCLABLE MATERIAL SUPPLY AGREEMENT

This Agreement is dated April 22, 2013 and is between:

City of Bloomington
109 E. Olive St.
Bloomington, Il 61701

Tel: 309-434-2225

and

Midwest Fiber, Inc., an Illinois corporation (“Midwest”)
422 S. White Oak Road
Normal IL 61761

Tel: 309-452-0064

The parties agree as follows:

1. Definitions:

(a) "Material" means all single stream recyclable material that meets the quality requirements of Section 6 and fully described in Exhibit B.

(b) "Residuals" means non-recyclable items mistakenly believed to be recyclable by consumers and placed into collected recycling bins, where such items do not pose any adverse effect to human health or the environment.

(c) "Non-Acceptable Materials" means any municipal putrescribe waste, yard waste, hazardous waste, medical waste, electronic waste or any other hazardous materials or substances.

(d) "Term" means the period that this Agreement is in effect.

(e) "Supplier" means City of Bloomington.

(f) "Holidays" means Christmas Day.

2. Supply of Material. During the Term, Supplier shall sell and deliver to Midwest and Midwest shall accept and purchase from Supplier the Material generated by Supplier. Supplier makes no guarantee to Midwest that a certain volume of the Material shall be sold and delivered to Midwest by Supplier during the term of this Agreement.

3. Price. The price for the Material shall be as stated in Exhibit A. Applicable weights shall be determined by Midwest based on receiving weight receipts, subject to adjustment under Section 6 for nonconforming Material.

4. Delivery. Supplier shall deliver the Material to Midwest's location at 422 S. White Oak Rd, Normal, IL. Title to the Material shall pass to Midwest upon acceptance by Midwest, subject to Midwest's right of rejection under Section 6. Supplier's vehicles shall be unloaded expeditiously by Midwest. For weeks with Holidays, Midwest shall coordinate with Supplier additional offloading hours at its Normal, Illinois, location. The additional hours may be extended operating hours or Saturday hours. The recycle center shall be open from 6:30 am to 3:00 pm for the receipt of the City's acceptable recycling material (with the exception of Christmas Day).

5. Payment. For Material delivered during a calendar month, Midwest shall pay Supplier, or Supplier shall pay Midwest, as the case may be, the price due under Section 3, thirty (30) days from date of invoice submission by Supplier to Midwest of weight ticket copies. Interest will be charged on all amounts not paid when due at a rate of two percent (2%) per month.

6. Quality.

(a) Commingled/Single Stream Material: Supplier agrees to use reasonable efforts to collect, receive and deliver Single Stream Material and to prevent the collection and delivery of excess Residuals and Non-Acceptable Materials. Residuals and Non-Acceptable Materials shall not exceed 9% by weight of delivered Material.

(c) Midwest has no obligation to accept or purchase Material that does not meet the standards of this Section 6. Supplier shall remain fully responsible for the proper handling and disposal of any Non-Acceptable Materials and shall indemnify Midwest against all costs~~,~~ and expenses (except for fines) relating to the proper handling and disposal of any Non-Acceptable Materials. All quality issues shall be handled in accordance with general industry procedures. If Midwest's inspection of Material, either at time of delivery or prior to processing, discloses any nonconformity with this Section 6, the Material may be rejected by weight adjustment or by the entire shipment at Midwest's election, or downgraded in value accordingly by Midwest. If Midwest discovers any nonconformity with this Section 6, it shall immediately notify Supplier via telephone or email of such nonconformity by calling or emailing the Director of Public Works. In addition, Midwest shall document any such nonconformity, for example by taking photographs of such Non-Acceptable Material.

7. Term. This Agreement is for an initial term beginning May 1, 2013, and ending April 30th, 2015. The contract can be extended after May 1st, 2015, for three consecutive one year period at the mutual consent of both parties. During an extended term of this Agreement, all of the terms and conditions of this Agreement, shall remain the same and continue in full force and effect.

8. Confidentiality. Confidential information disclosed by a party to the other party, including volumes and pricing of the Material purchased by Midwest under this Agreement, shall be held in strict confidence and not communicated to any third person except as provided by law.

9. Indemnification for Third Party Claims. Each party (the "Indemnifying Party") agrees to indemnify and hold harmless the other party and its parent company, affiliates, subsidiaries, agents, employees, officers, directors, successors, and assigns (the "Indemnified Party") from and against any and all claims, demands, judgments, assessments, damages, fines, penalties, costs, expenses, liabilities, or losses, including but not limited to sums paid in settlement of claims, attorneys' fees, consultant fees, and expert fees, incurred or suffered by or claimed against the Indemnified Party by reason of a third party claim for personal injury or property damage alleged to have been caused by the Indemnifying Party's negligence or willful misconduct in its performance of this Agreement or in the operation of its business, except to the extent that such personal injury or property damage is caused by negligence or willful misconduct of the Indemnified Party. This provision shall survive any termination of this Agreement.

10. Default. A party shall be in default under this Agreement if it: (a) fails to cure a monetary breach within fifteen (15) calendar days after written notice of default; or (b) fails to cure a non-monetary breach within thirty (30) calendar days after written notice of default. In the event of

default, the non-defaulting party, in addition to any other remedies, may terminate this Agreement without further notice or liability, except that any such termination shall not affect rights or obligations accrued or owed prior to effective date of termination.

11. Limitation of Liability. Midwest and Supplier waive all claims against each other (and against each other's parent company, affiliates and subsidiaries and their respective members shareholders, officers, directors agents and employees) for any consequential, incidental, indirect, special, exemplary or punitive damages (including loss of actual or anticipated profits, revenues or product loss by reason of shutdown or non-operation; increased expense of operation, borrowing or financing; loss of use or productivity; or increased cost of capital) arising out of this Agreement ; and regardless of whether any such claim arises out of breach of contract or warranty, tort, product liability, strict liability or any other legal theory.

12. Notices. Any notice required by the terms of this Agreement, other than a notice of nonconformity under Section 6, shall be given in writing, whether by actual delivery of the notice to the party thereunto entitled, or by the mailing of the notice in the United States mail, first class postage prepaid, to the address of the party entitled thereto, certified mail, return receipt requested. The notice shall be deemed to be received on the date of its actual receipt, if delivered by hand, and on the date of its mailing, if delivered by mail. All notices, demands or other communications to any of the other parties to this Agreement shall be addressed as follows:

Midwest:

Midwest Fiber, Inc.
422 S. White Oak Road
Normal, Illinois 61761
Attention: Todd Shumaker
Supplier

City of Bloomington
109 E. Olive St
Bloomington, Il 61701
Attention: City Clerk

The address of any party hereto may be changed by notice to the other party duly served in accordance with the provisions hereof.

13. Excused Non-Performance. Neither party shall be liable to the other for failure to carry out this Agreement in whole or in part when such failure is due to strikes, lockouts, other labor problems, fires, floods, earthquakes, severe weather conditions, other Acts of God, freight embargoes, transportation delays, governmental or administrative prohibitions, riots, acts of public enemies, terrorism, or other causes beyond the control of the parties.

14. Compliance with Law. Each party shall comply and cause each of its employees, agents, and subcontractors to comply with all applicable laws pertaining to its performance of this Agreement.

15. Authority. Each party, and each individual signing on behalf of each party, represents and warrants to the other that it has full power and authority to enter into this Agreement and that its execution, delivery, and performance of this Agreement has been fully authorized and approved, and that no further corporate approvals or consents are required to bind such party.

16. Restrictive Covenants.

(a) During the term of this Agreement, Midwest and Supplier shall not, either directly or indirectly, induce or attempt to induce any employees of the other to leave the employment of the other; and

17. Modification. This Agreement may not be amended or modified except in writing signed by the parties.

18. Waiver. Any failure by a party to enforce any right or remedy on default by the other party shall not impair the ability to enforce such right or remedy as to subsequent defaults or be construed as a waiver. Either party's consent to or approval of any act by the other shall not be deemed to waive or render unnecessary the requirement of consent or approval of any subsequent act by either party.

19. Midwest Warranties. Midwest warrants to Supplier that:

(a) The transfer and processing of the Material will be performed in full compliance with all Federal, State and local laws, rules, regulations and ordinances.

(b) Midwest has the requisite knowledge and experience necessary to perform the services required under this Agreement.

(c) The Processing/Receiving/Transfer Locations have been issued all governmental permits, licenses, authorizations and approvals required for the transfer and processing of the Material. Upon request, Midwest will furnish to Supplier copies of permits, licenses, authorizations and approvals in effect relating to the transfer and processing of the Material. If any change occurs to such permits, licenses, authorizations or approvals which materially affects any obligation under this Agreement, Midwest shall promptly notify Supplier.

(d) Midwest has not received any notice, complaint, or administrative citation ("Notice") alleging that Midwest or the Processing and/or Receiving/ Transfer Locations are in material noncompliance with any applicable Federal, State or local environmental laws, regulations or ordinances, including, but not limited to any notice alleging that there has been a release or threatened release of hazardous substances (as defined in Section 101(14) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. §§6901 *et seq*.) at the Processing and/or Receiving/Transfer Locations. If Midwest receives such Notice during the term of this Agreement regarding the

Processing Location and/or Receiving/Transfer Locations, Midwest shall promptly notify Supplier of such Notice.

20. Supplier Warranties. Supplier warrants to Midwest that:

(a) Supplier's collection of the Material and transportation of Material to Midwest's site and handling and disposal of Midwest's waste will be performed by Supplier in full compliance with all Federal, State and local laws, rules, regulations and ordinances.

(b) Supplier has the requisite knowledge and experience necessary to perform the services required under this Agreement.

(c) Supplier has been issued all governmental permits, licenses, authorizations and approvals required for the collection and transportation of the Material. Upon request, Supplier will furnish to Midwest copies of such permits, licenses, authorizations and approvals in effect. If any change occurs to such permits, licenses, authorizations or approvals which materially affects any obligation under this Agreement, Supplier shall promptly notify Midwest.

(d) Supplier has not received any notice, complaint, or administrative citation ("Notice") alleging that Supplier is in material noncompliance with any applicable Federal, State or local environmental laws, regulations or ordinances. If Supplier receives such Notice during the term of this Agreement, Supplier shall promptly notify Midwest of such Notice.

21. Insurance. Midwest represents to Supplier and Supplier represents to Midwest that it now carries, and will continue during the term of the Agreement to carry, Worker's Compensation/Employers' Liability Insurance, Comprehensive General Liability Insurance and Comprehensive Automobile Liability Insurance in the following amounts:

COVERAGE	MINIMUM LIMITS OF LIABILITY
Worker's Compensation – Coverage A	Statutory
Employer's Liability – Coverage B	$100,000
Commercial General Liability (including broad form property damage, contractual liability, products/completed operations, and bodily injury)	$1,000,000 each occurrence
Commercial Automobile Liability (Owned, Hired, and Non-owned Vehicles for both bodily injury and property damage)	$1,000,000 each occurrence
Umbrella Excess Liability	$1,000,000 each occurrence

(over and above the Commercial General Liability and Commercial Automobile Liability coverages indicated above)

Supplier shall be named as an Additional Insured on Midwest's Commercial General Liability policy.

Within five (5) days of the execution of this Agreement, each party shall provide the other with Certificates of Insurance showing the existence of the insurance required hereunder.

22. Severability. If any provision of this Agreement is held invalid or unenforceable, it shall not affect the validity or enforceability of remainder of this Agreement, and to this end the provisions of this Agreement are declared severable. If such invalidity becomes known or apparent, the parties agree to negotiate promptly in good faith to amend such provisions to be as consistent as possible with the original intent.

23. Integrated Agreement. This Agreement constitutes the entire agreement of the parties regarding its subject matter and supersedes all prior negotiations, representations and understandings.

24. Independent Contractor. Each party is and shall perform this Agreement as an independent contractor, and as such, shall have and maintain complete control over all of its employees, agents, and operations. Neither party nor anyone employed by it shall be, represent, act, purport to act or be deemed to be the agent, representative, employee or servant of the other party.

Executed as of the date first written above.

Midwest Fiber, Inc.	City of Bloomington
By: Todd Shumaker	By: Stephen F. Stockton
Its: Vice President of Sales & Marketing	Its: Mayor

MATERIAL:

SINGLE STREAM MATERIAL:

COMPONENT	PERCENTAGE
Steel Cans	2.20%
UBCs	0.70%
HDPE-N	1.50%
HDPE-C	1.30%
PET	3.40%
Plastics #3, #4, #5, #7	1.10%
Glass	11.10%

Newspaper	58.00%
Cardboard	13.70%
RESIDUALS	7.00%

Midwest shall review the PERCENTAGE of each COMPONENT of the MATERIAL on an as needed basis and has the option to revise the PERCENTAGE of each COMPONENT according to the most recent twelve month average experience.

Pricing

The price for the Single Stream Material is described as Exhibit A, delivered by Supplier, shall be the Total Market Value of the Material (determined based on the percentage and the Value/ton of each component of the Single Stream Material as shown in the table) less the processing fees. The processing fee for the first year of the term is $77.00. The processing fee shall be adjusted at the beginning of each calendar year, by the annual percentage increase (if any), of the Midwest Area Consumer Price Index of all Urban Consumers published by the U.S. Bureau of Labor Statistics for the most recent calendar year for which such information is available; however, such increase shall not be greater than 2%.

Processing fee currently $77.00 per ton.

Midwest shall determine the Total Market Value for each month of the term based on changes in the value/ton. The value/ton shall be based upon national industry publications reflecting the market value of community such as Waste News and The Official Board Markets.

Exhibit A

SINGLE-STREAM MATERIAL		**Market Prices****		**Weighted Value**
Commodity	**Percent***	**$/Lb**	**$/Ton**	**$**
Steel Cans	2.2%	0.055	155	$3.41
UBCs	0.7%	0.74	1480	$10.36
PET	3.4%	0.15	300	$10.20
HDPE- N	1.5%	0.27	540	$8.10
HDPE- C	1.3%	0.18	360	$4.68
Plastic Containers #3, #4, #5 & #7	1.1%	0.02	52	$0.57
OCC (Cardboard)	13.7%	0.038	72.50	$9.93
Newspaper	58%	0.035	80	$46.40
Glass	11.1%	-0.018	-35	($3.89)
RESIDUALS	7%	-0.023	-46	($3.22)
Total Market Value	100%			$86.55
PROCESSING FEE****				($77.00)
SINGLE STREAM MATERIAL RATE Payment or (Charge) to SUPPLIER*****				$9.55

** Estimated average percentage of each recyclable commodity from a typical residential curbside recycling program. Percentages may be adjusted on an annual basis to reflect actual experience.*

*** Current Market Prices are shown. Future Market Prices will be applied on a month to month basis, where such prices shall typically be no less than the minimum published value for: <u>Containers</u> (Aluminum UBCs, Natural HDPE, Mixed HDPE and Mixed PET) published in the monthly issue of American Metal Market Recycling Manager. Notes: (a) Steel cans priced per local are markets as non-densified bales. (b) Glass Containers are recovered as Mixed Broken Glass priced per local area markets. (c) Plastics #3, #4, #5 & #7 are marketed at available market prices. <u>Paper Fiber</u> (Newspaper, Mixed Paper and Cardboard) published in the Official Board Markets (Yellow Sheet). If published values are not indicative of actual market values; then, actual market values will be used.*

**** Residuals are non-recyclable commodities inadvertently discarded by the consumer into the curbside recycling bin and subsequently disposed of.*

***** Processing Fee (fixed for 1st year of the term, with CPI adjustment in subsequent years) subtracted from Total Market Value.*

****** Payment Per Ton for residentially collected curbside Recyclable Single Stream Material.*

Exhibit B

Material
Single Stream

Newspaper, including inserts (remove plastic sleeves)
Cardboard (no waxed cardboard)
Pizza Boxes (free of food waste)
Kraft (brown paper) Bags
Magazines, Catalogs and Telephone Books
Office, Computer, Notebook & Gift Wrap Paper (no metal clips, spirals, binders or ribbons)
Chipboard (cereal, cake & food mix boxes, gift boxes, etc.
Carrier Stock (soda & beer can carrying cases)
Junk Mail & Envelopes (no plastic cards, stick on labels or unused stamps)
Paper Back Books (can include hard cover books but remove cover)

Notes:

1. All containers to be emptied and rinsed clean.
2. No motor oil, insecticide, herbicide or hazardous chemical containers).
3. Plastic bag should be returned to grocery or department stores.
4. No plastic film (no plastic sheets, tarps or wrap).
5. No expanded foam or clear polystyrene per joint advisory from the Illinois Recycling Association, Illinois Department of Commerce & Community Affairs, and Region 5 US Environmental Protection Agency.

Motion by Alderman Fazzini, seconded by Alderman Fruin that the contract with Midwest Fiber for single stream recycling processing be extended for two (2) years as allowed in the existing contract and mutually agreed upon, and the Mayor and City Clerk be authorized to execute the necessary documents.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Payment for Software Maintenance to Tyler Technologies for Various Munis Modules

RECOMMENDATION/MOTION: That the payment for software license maintenance and support agreement with Tyler Technologies, covering various modules of the City's Munis Enterprise Resource Planning (ERP) system, in the amount of $137,326.35, be approved and the Purchasing Agent be authorized to issue a Purchase Order for same.

STRATEGIC PLAN LINK: This activity promotes Goal 1. Financially Sound City, Providing Quality Basic Services, Objective d. City services delivered in the most cost-effective, efficient manner.

STRATEGIC PLAN SIGNIFICANCE: Objective 1.d. The Munis ERP system is critical to the daily operations of every City department. As the ERP system is implemented, it is helping to streamline and automate many service related processes throughout the City. The maintenance agreement is a key ongoing requirement as it provides technical support and software updates for the system.

BACKGROUND: Staff has requested Council approve the payment to Tyler Technologies for the maintenance agreement for multiple Munis modules. This payment provides coverage from May 2013, through April 2014. Modules included in this maintenance agreement request are:

Human Resources Mgmt.	Payroll
Bid/Contract Mgmt.	General Ledger
Accounts Payable	Accounts Receivable
Budget	General Billing
Treasury Mgmt.	Cashiering
Project Accounting	Fleet Mgmt.
Facility Mgmt.	Work Orders
Tyler Content Manager	Business Licenses
Inventory	Fixed Assets
Utility Billing	Tyler 311 CRM (Citizen Request Management)
Citizen Self Service	Employee Self Service
Employee Expense Reimbursement	GASB 34 Report Writer

Performance Based Budgeting
Maplink (GIS interface)
Business & Vendor Self Service

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: The FY 2013 Budget appropriated $777,366 for City wide software and hardware maintenance contracts in line item 10011610-70530. A portion of these funds will be used to pay for software license maintenance and support agreement with Tyler Technologies, which covers multiple modules itemized in the background section of the City's Munis Enterprise Resource Planning (ERP) system. The total cost for both contracts is $137,326.35. There are sufficient budgeted funds on hand within this line item to fund these two (2) contracts. Stakeholders may locate this purchase in the FY 2013 General Fund Budget document on page #169.

Respectfully submitted for Council consideration.

Prepared by: Scott Sprouls, Director of Information Services

Financial & budgetary review by: Timothy L. Ervin, Budget Officer

Reviewed as to legal sufficiency: J. Todd Greenburg, Corporation Counsel

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fazzini, seconded by Alderman Fruin that the payment for software license maintenance and support agreement covering various modules of the City's Munis Enterprise Resource Planning system with Tyler Technologies, in the amount of $137,326.35, be approved and the Purchasing Agent be authorized to issue a Purchase Order.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Maintenance Agreements with Sentinel Technologies, Inc. for City Voice over Internet Protocol (VoIP) Phone System and Network and Security Devices Hardware Maintenance

RECOMMENDATION/MOTION: That the two (2) Agreements with Sentinel Technologies, Inc., Springfield, IL, one (1) for hardware/software maintenance renewal for the City's VoIP phone system and related equipment, in the amount of $39,830; and the other for hardware/software maintenance renewal for the City's network infrastructure, in the amount of $40,269, for a total of $80,099, be approved, the Mayor and City Clerk be authorized to execute the necessary documents.

STRATEGIC PLAN LINK: This activity promotes Goal 1. Financially Sound City, Providing Quality Basic Services, Objective d. City services delivered in the most cost-effective, efficient manner.

STRATEGIC PLAN SIGNIFICANCE: Objective 1.d. The City's VoIP telephone system, and the network infrastructure that supports it and all City data flow, is critical to the daily operations of every City department. This technology is used twenty-four (24) hours per day supporting all City operations. The maintenance agreement is a key ongoing requirement as it provides technical support and software updates for these systems.

BACKGROUND: Staff maintains third party support agreements for the City's VoIP phone system, data network hardware and network security hardware as the manufacturer's warranty and support period expired. These support agreements provide critical hardware and software support and upgrade services to these systems. Guaranteed response times, appropriate to each specific piece of hardware, are defined within these contracts. The more critical devices (i.e. phone system hardware, data network core, firewall) are covered by a twenty-four (24) hour, seven (7) day per week, four (4) hour guaranteed response contract while the less critical systems are typically eight (8) hour, five (5) days per week, next business day response. Staff places an appropriate level of coverage on each device to control the cost of maintaining the City's critical data infrastructure.

Council approved similar one (1) year contracts with Sentinel Technologies at their April 23, 2012 meeting at a total cost of $79,628. Pricing for these contracts is based on existing contracts with City of Springfield's City, Water, Light and Power and the City of Naperville.

Staff respectfully requests approval to renew the following maintenance contracts, provided by Sentinel Technologies, Inc., Springfield, IL.

Contract	**Cost**
VoIP Phone System and Associated Hardware	$39,830
Data Network Core and Distribution Hardware	$40,269

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

<u>FINANCIAL IMPACT:</u> The FY 2013 Budget appropriated $777,366 for City wide software and hardware maintenance contracts in line item 10011610-70530. A portion of these funds will be used to offset the City VoIP Phone System and Network and Security Devices Hardware Maintenance contract in addition to the hardware/software maintenance renewal for the City's network infrastructure. The total cost for both contracts is $80,099. There are sufficient budgeted funds on hand within this line item to fund these two (2) contracts. Stakeholders may locate this purchase in the FY 2013 General Fund Budget document on page #169.

Respectfully submitted for Council consideration.

Prepared by: Scott Sprouls, Director of Information Services

Financial & budgetary review by: Timothy L. Ervin, Budget Officer

Reviewed as to legal sufficiency: J. Todd Greenburg, Corporation Counsel

Recommended by:

David A. Hales
City Manager

Motion by Alderman Fazzini, seconded by Alderman Fruin that the two (2) Agreements with Sentinel Technologies, Inc., Springfield, IL, one (1) for hardware/software maintenance renewal for the City's VoIP phone system and related equipment, in the amount of $39,830; and the other for hardware/software maintenance renewal for the City's network infrastructure, in the amount of $40,269, for a total cost of $80,099, be approved, and the Mayor and City Clerk be authorized to execute the necessary documents.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Intergovernmental Agreement with County of McLean for Shoulder Maintenance

<u>RECOMMENDATION/MOTION:</u> That the Agreement be approved and the Mayor and City Clerk be authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 2. Upgrade City Infrastructure and Facilities and Goal 5. Great Place – Livable, Sustainable City.

STRATEGIC PLAN SIGNIFICANCE: Objective 2.a. Better quality roads and sidewalks and objective 5.a. Well-planned City with necessary services and infrastructure.

BACKGROUND: It is the intention of the City to partner with other public entities whenever it is both possible and mutually beneficial. The City has approximately fourteen (14) centerline miles of roads with gravel shoulders. Over time gravel in the shoulder migrates towards the ditch leaving a drop off at the edge of the pavement which results in the road deteriorating along the edge and could cause a driver to lose control.

The City has previously used local contractors to perform shoulder work on various City roads at a significant cost because it does not have the equipment to do routine shoulder maintenance. In addition, Public Works crews have done limited shoulder work but also do not have the proper equipment. The McLean County Highway Department has the specialized equipment along with personnel properly trained to maintain gravel shoulders.

Most roads in the City are an urban cross section with curb and gutter. Most roads in the County are a rural cross section with gravel shoulders. The County has a need to sweep the roads with curb and gutter, but because they have so few they do not have the equipment for street sweeping. This agreement allows both the City and County to benefit from the equipment and expertise of each party.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: McLean County.

FINANCIAL IMPACT: The FY 2013 General Fund Budget did not appropriate funds for a Street Sweeping and Shoulder Maintenance Agreement with McLean County. However, staff has been presented an unanticipated opportunity to partner with McLean County to utilize the specialize equipment owned by the County to repair City roads with gravel shoulders. Staff recommends Council re-appropriate $10,000 from line item 10016120-70520, (Other Vehicle Repairs), to line item 10016120-70590, (Repair/Maintenance Infrastructure). The $10,000 is readily available since multiple new vehicles in this area have reduced the cost of vehicle repair. Stakeholders may locate this purchase in the FY 2013 General Fund Budget document on page #272.

Respectfully submitted for Council consideration.

Prepared by: Jim Karch, Director of Public Works

Financial & budgetary review by: Timothy L. Ervin, Budget Officer

Reviewed as to legal sufficiency: J. Todd Greenburg, Corporation Counsel

Recommended by:

David A. Hales
City Manager

INTERGOVERNMENTAL AGREEMENT
FOR STREET SWEEPING AND GRAVEL SHOULDER MAINTENANCE

THIS INTERGOVENMENTAL AGREEMENT (the "Agreement"), made and enter into on this 16th day of April, 2013, by and between the CITY OF BLOOMINGTON, an Illinois home rule municipal corporation (the "City") and MCLEAN COUNTY, a political subdivision of the State of Illinois (the "County"), in the County of McLean, State of Illinois, pursuant to and in accordance with the authority contained in Article VII, Section 10 of the Illinois Constitution of 1970 and the intergovernmental Cooperation Act, 5 ILCS 220/1, *et seq.*

WITNESSETH:

WHEREAS, the Constitution of the State of Illinois, 1970, Article VII, Section 10, authorizes units of local government to contract or otherwise associate among themselves in any manner not prohibited by law or ordinance;

WHEREAS, the Intergovernmental Cooperation Act, 5 ILCS 220/1, provides that any power or powers, privileges or authority exercised or which may be exercised by a unit of local government may be exercised and enjoyed jointly with any other unit of local government;

WHEREAS, the City of Bloomington and County of McLean County (sometimes collectively referred to herein as the "Parties") are units of local government;

WHEREAS, Bloomington does not own the equipment to provide gravel shoulder maintenance to city-owned and maintained streets, and Bloomington desires to contract with McLean County to perform gravel shoulder maintenance to city-owned and maintained streets;

WHEREAS, the County does not own the equipment to sweep and pick up the debris on its curbed sections of county-owned and maintained streets, and McLean County desires to contract with the City to perform street sweeping maintenance of county-owned and maintained streets;

WHEREAS, McLean County has the necessary equipment and labor to provide gravel shoulder maintenance;

WHEREAS, the City has the necessary equipment and labor to provide street sweeping maintenance;

WHEREAS, the City has offered to reimburse the McLean County for its costs to maintain gravel shoulder on city-owned and maintained streets under and pursuant to the terms and conditions of this Agreement; and

WHEREAS, the County has offered to reimburse the City for its costs to perform street sweeping operations of county-owned and maintained streets under and pursuant to the terms and conditions of this Agreement; and

NOW THEREFORE, in consideration of the matters set forth above, the agreements, covenants representations and undertakings made and contained in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and County hereby agree and covenant as follows:

1. **SERVICES**

    A. The County agrees to provide equipment and labor for gravel shoulder maintenance on city-owned and maintained streets upon request from the City. For and during any period that the County is performing the requested services for the City, such services shall, except as otherwise noted, be under the authority and direction of the County and the County shall have all the powers of the City necessary to perform these services.

    B. The City agrees to provide equipment and labor for street sweeping maintenance on county-owned and maintained streets upon request from the City. For and during any period that the City is performing the requested services for the County, such services shall, except as otherwise noted, be under the authority and direction of the City and the City shall have all the powers of the County necessary to perform these services.

    C. All requests for services shall be in written form and signed by the County Engineer or his/her authorized representative in the case of services requested by the County and the City Engineer in the case of services requested by the City. The County will provide all traffic control required on County-owned and maintained streets and the City will provide all traffic control required on City-owned and maintained streets.

    D. Each party will provide services for the other in accordance with its regular schedule for performance of such work and as weather and road conditions permit.

2. **REIMBURSEMENT.** The parties have agreed to reimburse each other for the services provided on a time and materials basis for all labor and equipment expenses using the most current revision of the Illinois Department of Transportation's "SCHEDULE OF AVERAGE ANNUAL EQUIPMENT EXPENSE" and the most current index factor as issued by the Illinois Department of Transportation for all labor and equipment. The City hereby agrees to reimburse the County for expenses incurred by the County in connection with providing the requested services for the City within thirty (30) days after receipt of billing. The County hereby agrees to reimburse the City for expenses incurred by the City in connection with providing the requested services for the County within thirty (30) days after receipt of billing.

3. **LIABILITIES**. Each Party shall be solely responsible for any and all liability, employee benefits, wage and disability payments, pension and workers compensation claims, damages to or destruction of equipment arising out of or in connection with furnishing the requested services for the other Party under this agreement and shall hold the other Party harmless from any such claim(s).

4. **DISPUTE RESOLUTION.** City and County agree to work in a cooperative manner to resolve any disagreements or issues as they may arise throughout the term of the Agreement. To the end, if a dispute cannot be resolved by the administrative staff of the resulting parties, then the City Manager shall meet the County Administrator in an attempt to resolve the dispute. If Parties cannot reach a resolution through this method, then they agree to submit to mediation through a recognized third-party mediator.

   In the event the Parties cannot resolve the dispute through third-party mediation, the Parties hereby agree that any cause of action shall be brought in the Circuit Court of McLean County, Illinois, and that the laws of the State of Illinois shall applied.

5. **NOTICES.** All notices or communications provided for herein shall be in writing and shall be delivered to City or County either in person or by United States mail, via certified mail, return receipt requested, postage prepaid, addressed as follows:

City:

City of Bloomington
Public Works Department
115 E. Washington Street
P.O. Box 3157
Bloomington, IL 61702-3157
Attn: City Engineer

County:

McLean County
102 S. Towanda Barnes Road
Bloomington, Illinois 61705
Attn: County Engineer

6. **ASSIGNMENT**S. This Agreement shall inure to the benefit of and be binding upon the Parties hereto, their respective successors and assigns. However, this Agreement shall not be assigned by either Party without prior written consent of the other party.

7. **TERM.** This Agreement shall remain in force and effect for a period of ten years from the date of its execution, subject to paragraph 9.

8. **TERMINATION.** Either the City or County may terminate this agreement by providing the other party sixty (60) calendar day advance written notice.

9. **AMENDMENTS.** This agreement sets forth the complete understanding between the City and County, and any amendments hereto to be effective must be in writing.

WITNESSETH WHEREOF, the City of Bloomington, an Illinois home rule municipal incorporation, and the County of McLean County, a political subdivision of the State of Illinois, have caused this Agreement to be signed in duplicate originals, each signed copy constituting an original, by their respective authorized representatives and attested by their respective clerks and their seals affixed hereto, all as of the day and date first hereinabove set forth.

City of Bloomington, an Illinois home-rule municipal corporation	County of McLean County, a political subdivision of the State of Illinois
By: Stephen F. Stockton Mayor	By: Matt Sorensen County Chairman
Attest: Tracey Covert City Clerk	Attest: Kathy Michael County Clerk
Date: April 23, 2013	Date:___________________

Motion by Alderman Fazzini, seconded by Alderman Fruin that the Agreement be approved and the Mayor and City Clerk be authorized to execute the necessary documents.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Compensation Agreement with Arthur J. Gallagher Risk Management Services, Inc., (AJG)

RECOMMENDATION/MOTION: That the Request for Proposal (RFP) be awarded to AJG for the Insurance Broker Services, in the amount of $38,625, and Insurance Coverage, in the amount of $673,334, for FY 2014, (May 1, 2013 through April 30, 2014), for a total amount of $711,959 and the Mayor and City Clerk be authorized to execute necessary documents.

STRATEGIC PLAN LINK: Goal 1. Financially Sound City Providing Quality Basic Services.

STRATEGIC PLAN SIGNIFICANCE: Goal 5. Objective a. Budget with adequate resources to support defined services and level of services.

BACKGROUND: On January 25, 2013, the City released a RFP for Insurance Brokerage Services. Proposals were due on February 19, 2013 at 2:30 p.m. Four (4) insurance brokerage firms requested the RFP Packet.

- Arthur J. Gallagher and Company, Itasca, IL
- Mid-America Insurance, Normal, IL
- Assurance, Schaumberg, IL
- Mesirow Financial, Chicago, IL

After reviewing the RFP's, City staff from Administration and Purchasing and Mike Nugent, the City's Insurance Consultant, selected Mesirow and Arthur J. Gallagher for detailed insurance quotes.

The Council was provided with the following documents from Mr. Nugent:

- Cover Letter
- Cost Summary
- Property Specifications

AJG's insurance coverage costs are significantly lower than Mesirow's. Mesirow did offer higher combined liability limits, ($20 million compared to $16 million), but the limits and coverage enhancements were not the best and sufficient use of City dollars.

AJG has served as the City's Insurance Broker since January 10, 2011. Staff has been pleased with the market prices that they have been able to obtain for the City. AJG has not increased their Broker Fee of $37,500, since serving the City.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: RFP was published in the Pantagraph, posted to the City's web site and a hard copy was made available in the Office of the City Clerk on January 25, 2013.

FINANCIAL IMPACT: The FY 2014 Casualty Fund Budget appropriated $726,800 for Third Party Administrator (TPA) Claims Adjustment Services in line items 60150150-70702, (Workers Compensation Premiums), 60150150-70703, (Liability Premiums), 60150150-70704, (Property Premiums), and 60150150-70220, (Other Professional Services). The total cost for the Insurance Broker and Coverage for FY 2014 is $711,959. Stakeholders may locate this purchase in the FY 2013 Capital, Enterprise, and Other Fund Budget document on page #150.

Respectfully submitted for Council consideration.

Prepared by: Barbara J. Adkins, Deputy City Manager

Financial & budgetary review by: Timothy L. Ervin, Budget Officer

Reviewed as to legal sufficiency: J. Todd Greenburg, Corporation Counsel

Recommended by:

David A. Hales
City Manager

(ON FILE IN CLERK'S OFFICE)

Motion by Alderman Fazzini, seconded by Alderman Fruin that the RFP for Insurance Brokerage Coverage be awarded to AJG in the amount of $38,625 for Insurance Broker Services and in the amount of $673,334 for Insurance Coverage for FY 2014, (May 1, 2013 through April 30, 2014), for a total amount of $711,959, and the Mayor and City Clerk be authorized to execute the necessary documents.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Fiscal Year (FY) 2014 Third Party Administrator Claims Adjustment Services

RECOMMENDATION/MOTION: That the Request for Proposal (RFP) for Third Party Administrator (TPA) Claims Adjustment Services be awarded to Alternative Services Concepts (ASC) for FY 2014, in the amount of $375,063, and that Mayor and City Clerk be authorized to execute necessary documents.

STRATEGIC PLAN LINK: Goal 1. Financially Sound City Providing Quality Basic Services.

STRATEGIC PLAN SIGNIFICANCE: Goal 5. Objective a. Budget with adequate resources to support defined services and level of services.

BACKGROUND: The current contract with ASC expires on April 30, 2013.

On January 29, 2013, the City released a RFP for Third Party Administrator Claims Adjustment Services. Proposals were due to the City at 2:30 p.m. on February 9, 2013. Six (6) firms requested the RFP Packet.

Staff from Administration, Purchasing and Mike Nugent, City's Insurance Consultant, reviewed five (5) proposals:

- Alternative Service Concepts (ASC) - Nashville, TN
- Underwriters Safety and Claims - Naperville, IL
- Go Self Insured - Rockford, IL
- Brentwood Services - Brentwood, TN
- PMA - Schaumburg, IL

Council was provided with the following documents from Mr. Nugent:

- Cover Letter
- Scope of Service Form
- RFP Summary

ASC's RFP was the lowest proposal and scored the highest using the City's rating system.

ASC has had a positive working relationship with the City since May 2009. The model that ASC uses has worked well for the City. Having a Claims Office and Safety Coordinator located in City facilities has proven to be efficient for our employees. The Nurse Triage Program ties claims severity and frequency. The Nurse Triage reports are made available to all departments quarterly for their review and improvement if needed.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: RFP was published in the Pantagraph, posted on the City's web site and a hard copy was made available in the office of the City Clerk on January 29, 2013.

FINANCIAL IMPACT: The FY 2014 Casualty Fund Budget appropriated $381,786 for TPA Claims Adjustment Services in line items 60150150-70220, (Other Purchased Services), and 60150150-70720, (Insurance Administration). The total cost for the FY 2014 TPA is $375,063. The cost of these services in FY 2015 will be $387,294 and in FY 2016 will be $404,464. Stakeholders may locate this purchase in the FY 2013 Capital, Enterprise, and Other Fund Budget document on page #150.

Respectfully submitted for Council consideration.

Prepared by: Barbara J. Adkins, Deputy City Manager

Financial & budgetary review by: Timothy L. Ervin, Budget Officer

Reviewed as to legal sufficiency: J. Todd Greenburg, Corporation Counsel

Recommended by:

David A. Hales
City Manager

CLAIMS SERVICE CONTRACT

THIS AGREEMENT is made and entered into with an effective date of May 1, 2013 between ALTERNATIVE SERVICE CONCEPTS, LLC**,** formed in Delaware, with principal offices at 2501 McGavock Pike, Suite 802, P.O. Box 305148 Nashville, Tennessee 37230-5148, herein referred to as "ASC", and City of Bloomington with principal offices in Bloomington, IL, hereinafter referred to as "Client".

WITNESS:

WHEREAS, "ASC" is in the claims service business; and

WHEREAS, "Client" desires to contract with "ASC" as its claims service company to service the Workers' Compensation and property & casualty claims of "Client's" arising out of their facilities located in Bloomington, IL.

NOW, THEREFORE, "ASC" and "Client" contract as follows:

"ASC" AGREES:

1. (a) To Review all claims and/or losses reported during the term of this Contract which involves worker's compensation and property & casualty claims against the "Client".
   (b) To investigate, adjust, settle or resist all such losses and/or claims within the agreed discretionary settlement authority limit of $5,000.00 Dollars.
   (c) To investigate, adjust, settle and resist all such losses and/or claims as are in the excess of the agreed discretionary settlement authority of $5,000.00 Dollars only with specific prior approval of "Client".

2. To furnish all claim forms necessary for proper claims administration.

3. To establish claim and/or loss files for each reported claim and/or loss. Such files shall be the exclusive property of the "Client". Such files are available for review by "Client" at any reasonable time, with notice.

4. To maintain adequate General Liability, Automobile Liability, Workers' Compensation, Fidelity Bond, and Errors and Omissions insurance coverage.

5. To indemnify, defend, and hold harmless "Client" with respect to any claims asserted as a result of any errors, omissions, torts, intentional torts, or other negligence on the part of "ASC" and/or its employees, unless the complained of actions of "ASC" were taken at the specific direction of "Client".

"CLIENT" AGREES:

1. To make funds available that "ASC" may draw from at any time and from time to time for claim and/or loss payments for associated allocated expense with prior approval of "Client".

2. To pay "ASC" fees in accordance with the Fee Schedule attached to this contract.

3. To pay "ASC" within thirty (30) days of effective date of all invoices.

4. (a) To pay all Allocated Loss Expense in addition to the claim service fee to be paid to "ASC" as prescribed in this Contract.

   (b) "Allocated Loss Expense" shall include but not be limited to attorney's fees; commercial photographers' fees; experts' fees (i.e. engineering, physicians, chemists, etc.); fees for independent medical examinations; witnesses' travel expense; extraordinary travel expense incurred by "ASC" at the request of "Client"; court reporters' fees; transcript fees; the cost of obtaining public records; witnesses' fees; medical cost containment services, such as utilization review, preadmission authorization, hospital bill audit, provider bill audit, and medical case management; automobile appraisal or property appraisal fees; all outside expense items; and any other similar fee, cost or expense associated with the investigation, negotiation, settlement, or defense of any claim hereunder or as required for the collection of subrogation on behalf of the "Client".

5. To relinquish authority to "ASC" in all matters relating to claims service within the agreed discretionary settlement authority limit of $5,000.00 Dollars.

6. (a) In the event, "ASC", acting at the specific direction of the "Client", becomes liable to any third party, "Client" agrees to indemnify, defend, and hold "ASC" and/or its employees harmless.

   (b) If "ASC" or any of its employees are named as defendant in any action (i) where the plaintiff's cause of action involves a claim hereunder and (ii) where there are not allegations of errors, omissions, torts, intentional torts, or other negligence on the part of "ASC", "Client" will assume the defense of the action on behalf of "ASC" and/or its employees and indemnify and hold "ASC" and/or its employees harmless from any judgment rendered as a result of such action.

"ASC" AND "CLIENT" MUTUALLY AGREE AS FOLLOWS:

1. The term of this Contract is continuous from its effective date for three (3) years. This Contract may be terminated by either "ASC" or "Client" with cause by providing sixty (60) days' prior written notice by certified mail.

2. This Contract covers Claim Service for "Client" in the United States of America.

3. Gross receipts tax or assessments in those states or jurisdictions where levied shall be in addition to the service fee.

4. In the event any one or more of the provisions of this Contract shall be determined to be invalid or unenforceable by any court or other appropriate authority, the remainder of this Contract shall continue in full force and effect, as if said invalid and unenforceable portion had not been included in this Contract.

5. This contract shall be construed and interpreted in accordance with the laws of the state of Illinois.

6. This Contract represents the entire understanding of “ASC” and “Client” and supersedes all prior oral and written communications between “ASC” and “Client” as to the subject matter. Neither this Contract nor any provisions of it may be amended, modified or waived except in writing signed by a duly authorized representative of “ASC” and “Client.

7. The failure or delay of either “ASC” or “Client” to take action with respect to any failure of the other party to observe or perform any of the terms or provisions of this Contract, or with respect to any default hereunder by such other party, shall not be construed as a waiver or operate as a waiver of any rights or remedies of either “ASC” or “Client” or operate to deprive either “ASC” or “Client” of its right to institute and maintain any action or proceeding which it may deem necessary to protect, assert or enforce any such rights or remedies.

8. This Contract is binding on any and all successors to the parties and assignable, in whole or any part, only with the written consent of the non-assigning party.

IN WITNESS WHEREOF, “ASC” and “Client” have caused this Contract to be executed by the person authorized to act in their responsive names.

ALTERNATIVE SERVICES CONCEPTS, LLC

WITNESS: ____________________________

BY:_______________________________
TITLE:____________________________
DATE:____________________________

CITY OF BLOOMINGTON

WITNESS: Tracey Covert

BY: Stephen F. Stockton
TITLE: Mayor
DATE: April 23, 2013

Cost-Plus, Dedicated Unit: Expense and Fee Estimates:
May 1, 2013 – May 1, 2014

“CLIENT AGREES TO PROVIDE THE BELOW LISTED AS “PROVIDED BY CLIENT”

Personnel	**$311,038**
(salary, benefits, E&O ins., supervision, corporate ins., system, etc.)	1 Senior Adjustor 1 Safety Coordinator 1 Claims Administrator

Other Expenses	**On-site**
Rent & Utilities	Provided by client
Storage	Provided by client
Basic Phone/Long Distance	Provided by client
Cell Phones	$1,320
Network Communications	Provided by client
Travel	$3,750
Mail/Courier	$1,360
Supplies	$2,274
Printing	$750
Check Printing from Standard Register	$402
Copier/Postage Machine	$588
Copier Maintenance/Toner/Depreciation	$2,215
Mileage Reimbursement and Car Allowance (for Safety Coordinator)	$7,750
Computers: Depreciation	$863
Publications/Books	$168
Licenses & Fees	$169
Claims Reporting: from MedCor	Provided by client
MedCor Interface – if needed or requested	TBD
OSHA Reporting	$500
CMS Reporting	$2,100
STARSWeb System Access: 4 users included; each additional user is $25/user/month	
Office Parking	$1,560
QRM Claim Reporting - $14 per claim (if client uses this option)	Billed to client
Loss Control Materials	Provided by client/billed as incurred
Conventions, Seminars, Education/Continuing Education Classes	$750
Total Other Expenses	**$26,519**
Total All Expenses	**$337,557**
Proposed Fee at 10 % Margin	**$375,063**

The fees provided above are estimates only. ASC is proposing to pass actual expenses through to The City of Bloomington at cost plus mark up to create a 10% profit margin. ASC can invoice the client monthly in arrears for the actual fees, or ASC can bill a quarterly deposit (based on a mutually agreed upon amount) at the beginning of each quarter and then perform quarterly audits to invoice or credit the difference between the deposit and the actual quarterly fees. The fees listed above are based on current staffing requirements. At any time during this contract period if the claims volume requires additional staffing by "ASC", fees for the additional staff will be negotiated between the "Client" and "ASC". In addition, if any "provided by client" expense is shifted to "ASC", the client will be billed at the appropriate rate.

Cost-Plus, Dedicated Unit: Expense and Fee Estimates:
May 1, 2014 – May 1, 2015

"CLIENT AGREES TO PROVIDE THE BELOW LISTED AS "PROVIDED BY CLIENT"

Personnel **$321,254**
(salary, benefits, E&O ins., supervision, corporate ins., system, etc.)
1 Senior Adjustor
1 Safety Coordinator
1 Claims Administrator

Other Expenses	**On-site**
Rent & Utilities	Provided by client
Storage	Provided by client
Basic Phone/Long Distance	Provided by client
Cell Phones	$1,360
Network Communications	Provided by client
Travel	$3,862
Mail/Courier	$1,400
Supplies	$2,342
Printing	$772
Check Printing from Standard Register	$414
Copier/Postage Machine	$605
Copier Maintenance/Toner/Depreciation	$2,281
Mileage Reimbursement and Car Allowance (for Safety Coordinator)	$7,982
Computers: Depreciation	$888
Publications/Books	$173
Licenses & Fees	$174
Claims Reporting: from MedCor	Provided by client
MedCor Interface – if needed or requested	TBD
OSHA Reportin	$515
CMS Reporting	$2,165
STARSWeb System Access: 4 users included; each additional user is $25/user/month	
Office Parking	$1,606
QRM Claim Reporting - $14 per claim (if client uses this option)	Billed to client
Loss Control Materials	Provided by client/billed as incurred
Conventions, Seminars, Education/Continuing Education Classes	$772
Total Other Expenses	**$27,311**
Total All Expenses	**$348,565**
Proposed Fee at 10 % Margin	**$387,294**

The fees provided above are estimates only. ASC is proposing to pass actual expenses through to The City of Bloomington at cost plus mark up to create a 10% profit margin. ASC can invoice the client monthly in arrears for the actual fees, or ASC can bill a quarterly deposit (based on a mutually agreed upon amount) at the beginning of each quarter and then perform quarterly audits to invoice or credit the difference between the deposit and the actual quarterly fees. The fees listed above are based on current staffing requirements. At any time during this contract period if the claims volume requires additional staffing by "ASC", fees for the additional staff will be negotiated between the "Client" and "ASC". In addition, if any "provided by client" expense is shifted to "ASC", the client will be billed at the appropriate rate.

Cost-Plus, Dedicated Unit: Expense and Fee Estimates:
May 1, 2015 – May 1, 2016

"CLIENT AGREES TO PROVIDE THE BELOW LISTED AS "PROVIDED BY CLIENT"

Personnel	**$331,848**
(salary, benefits, E&O ins., supervision, corporate ins., system, etc.)	1 Senior Adjustor 1 Safety Coordinator 1 Claims Administrator

Other Expenses	**On-site**
Rent & Utilities	Provided by client
Storage	Provided by client
Basic Phone/Long Distance	Provided by client
Cell Phones	$1,400
Network Communications	Provided by client
Travel	$3,977
Mail/Courier	$1,442
Supplies	$2,412
Printing	$795
Check Printing from Standard Register	$426
Copier/Postage Machine	$623
Copier Maintenance/Toner/Depreciation	$2,349
Mileage Reimbursement and Car Allowance (for Safety Coordinator)	$8,221
Computers: Depreciation	$914
Publications/Books	$178
Licenses & Fees	$179
Claims Reporting: from MedCor	Provided by client
MedCor Interface – if needed or requested	TBD
OSHA Reporting	$530
CMS Reporting	$2,230
STARSWeb System Access: 4 users included; each additional user is $25/user/month	
Office Parking	$1,654
QRM Claim Reporting - $14 per claim (if client uses this option)	Billed to client

Other Expenses	On-site
Loss Control Materials	Provided by client/billed as incurred
Conventions, Seminars, Education/Continuing Education Classes	$795
Total Other Expenses	**$28,125**
Total All Expenses	**$359,973**
Proposed Fee at 11 % Margin	**$404,464**

The fees provided above are estimates only. ASC is proposing to pass actual expenses through to The City of Bloomington at cost plus mark up to create an 11% profit margin. ASC can invoice the client monthly in arrears for the actual fees, or ASC can bill a quarterly deposit (based on a mutually agreed upon amount) at the beginning of each quarter and then perform quarterly audits to invoice or credit the difference between the deposit and the actual quarterly fees. The fees listed above are based on current staffing requirements. At any time during this contract period if the claims volume requires additional staffing by "ASC", fees for the additional staff will be negotiated between the "Client" and "ASC". In addition, if any "provided by client" expense is shifted to "ASC", the client will be billed at the appropriate rate.

Invoicing and Payment Terms

Fees will be invoiced at an agreed-upon interval during the calendar year. Fees are payable upon receipt of the invoice. ASC reserves the right to charge 1½% per month or the maximum legal rate on unpaid balances after 30 days.

Managed Care Pricing

Service	Pricing
Network Access	28% of savings
Pharmacy	AWP minus 5% plus $3.00 dispensing fee
Telephonic Case Management	$250/month per claim
Pre-Authorization/Pre-Certification	Nurse: $125/review Physician: $250/hour
Field Case Management	$85 per hour plus mileage
Medical Bill Review	$8.50 per bill

Claims Handling at Contract Conclusion

Claims will be handled for the **"life of the partnership"** with no additional per claim fees. At the conclusion of the contract, "ASC" will continue to handle open claims for an annual per-claimant fee at "ASC's" prevailing rates. Alternatively, claims will be returned to the "client".

Workers' Compensation Definitions

Medical Only Claims - Work-related claims that require medical treatment only and do not exceed $2,500 in total payments.

Indemnity Claims - Work-related claims that involve disability benefits or medical claims that require payment of medical and other expenses in excess of $2,500 or require the pursuit of subrogation**.**

Allocated Loss Adjustment Expense List

As used herein, the term "Allocated Loss Adjustment Expenses" shall include but not be limited to the costs associated with the following:

(a) Court costs and fees for service of process;
(b) Attorneys and hearing representatives;
(c) Independent medical exams and medical records/reports;
(d) Medical case management services including, but not limited to, medical network providers, rehabilitation counselors, medical management providers, bill re-pricing activities and other related services;
(e) All outside activities where personal contact, investigation or litigation involvement is necessary;
(f) Investigation services including background activity checks, surveillance and other similar such services;
(g) Fraud detection, investigation and related services ("SIU");
(h) Outside experts and subcontractors;
(i) Transcripts and public records;
(j) Depositions, court reporters, video statements, private investigators;
(k) Attendance at alternative dispute resolution forums including arbitrations, mediations, hearings or similar such activities or attendance at depositions;
(l) Expenses chargeable to the defense of a specific claim;
(m) Protection and pursuit of all third party/recovery rights including second injury recovery claims, indemnification and contribution claims, and subrogation actions;
(n) Index system filing services;
(o) Medical records;
(p) Accident reconstruction;
(q) Architects, contractors, engineers, chemists;
(r) Police, fire, coroner, weather or other such reports;
(s) Property damage appraisals;
(t) Extraordinary costs for witness statements;
(u) Pre and post judgment interest paid;
(v) Other extraordinary expenses including, but not limited to, photocopying, statement transcriptions, photographs, travel, express mail, public records and similar expenses as may be incurred by CONTRACTOR in fulfilling its obligations; and
(w) Any other similar cost, fee or expense reasonably chargeable to the investigation, negotiation, settlement of defense of a claim.

ALTERNATIVE SERVICES CONCEPTS, LLC

WITNESS: ____________________________ BY: ____________________________

TITLE: ___________________________

DATE: ___________________________

CITY OF BLOOMINGTON

WITNESS: Tracey Covert BY: Stephen F. Stockton
TITLE: Mayor
DATE: April 23, 2013

Motion by Alderman Fazzini, seconded by Alderman Fruin that the Request for Proposal for TPA Claims Adjustment Services be awarded to Alternative Services Concepts for three (3) years with a total amount of $1,166,821, and the Mayor and City Clerk be authorized to execute necessary documents.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Resolution to Cede the City of Bloomington's Allocation of the Private Activity Bonding Cap to the Eastern Illinois Economic Development Authority

RECOMMENDATION/MOTION: That the transfer of the City 2013 Volume Bond Cap to the Eastern Illinois Economic Development Authority, with a transfer fee agreement of one percent (1%), be approved, the Resolution adopted, and the Mayor and City Clerk be authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 4. Grow the Local Economy. (e) Strong working relationships among the City, businesses, economic development organizations.

STRATEGIC PLAN SIGNIFICANCE: Given the City of Bloomington does not have any projects that are presently eligible to receive the City's Volume Cap, and in the spirit of engaging in positive working relationships with other economic development organizations, staff recommends partnering with the Eastern Illinois Economic Development Authority (EIEDA) for the 2013 calendar year. By cultivating this mutually beneficial relationship between communities, counties and other regional development authorities, the City stands to benefit in future years when eligible projects arise and other communities are able to cede their bond cap in return.

BACKGROUND: The Internal Revenue Code permits the City, as an Illinois home rule municipality, to issue private activity bonds. The federal tax code classifies private activity bonds as bonds utilized for projects that primarily benefit private entities. See the chart of eligible projects, (Exhibit A). Congress uses an annual state Volume Cap, which is currently capped at the rate of $95 per capita for the 2013 calendar year. Based upon a population of 77,071, the City's Volume Cap is $7,321,745 for calendar year 2013.

For the current fiscal year, staff has determined no projects are readily available that can use this Volume Cap in the City. In the past, when this situation has occurred, the City has ceded over its bond Volume Cap to the Illinois Housing Development Authority (IHDA) to further homeownership within the community *(2003, 2004, 2007, 2008, 2009, and 2010)*. IHDA works with communities to help working families and individuals achieve homeownership through their Mortgage Credit Certificate (MCC) and the Mortgage Revenue Bond (MRB) programs. A request was submitted to IHDA to determine if there was enough funding for these two (2) programs for 2013 but has yet to receive a response. The City is required to obligate this allocation by May 1st of each calendar year or it automatically goes back to the State of Illinois for reallocation to other entities in June of each calendar year.

Other private activity bond projects have been: 2005 Lincoln Tower renovations; 2006 Habitat, Mid Central Community Action and Clayton Jefferson for Affordable Housing Development (project not completed, bonding authority returned to the state); and 2011 EIEDA Senior Housing Facility.

In FY 2012, staff requested to reserve the City's Volume Cap for an eligible activity, undetermined at the time. This did not obligate the City financially or in any other way, this resolution simply "reserved" the City's portion to possibly be used at a later date for an activity within the community. No such activity presented itself within the 2012 calendar year.

For FY 2013, staff received a request from EIEDA to transfer the Home Rule Volume Cap for economic development and housing projects, (Exhibit B). Specifically, the organization is in the process of closing on a $20,040,000 senior housing bond and would like to join efforts with respect to the Volume Cap in an attempt to secure the project. Given that staff has yet to identify any projects that qualify for the use of such private activity bonds within the City, it is being recommended that the City work collaboratively with EIEDA as requested.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Keith Thompson in reference to the Ashael Gridley Mansion, Illinois Housing Development Authority in regards to the Mortgage Credit Certificate and Mortgage Revenue Bond programs, and EIEDA.

FINANCIAL IMPACT: There is a possibility the City may be a recipient of a one percent (1%) transfer fee, (approximately $73,000), upon the issuance of bonds to a borrower, which would be payable at the bond closing. It has been suggested by the EIEDA, the City's Volume Bond cap may be utilized for a senior living in the future. If the Volume Cap is not used by December 31, 2013, the bond cap may be carried forward and used for an additional three (3) years until expiration on December 31, 2016. If the bond cap is used within this extension period by the EIEDA, the City would receive the one percent (1%) transfer fee.

Respectfully submitted for Council consideration.

Prepared by: Justine Robinson, Economic Development Coordinator

Financial & budgetary review by: Timothy L. Ervin, Budget Officer

Reviewed as to legal sufficiency: J. Todd Greenburg, Corporation Counsel

Recommended by:

David A. Hales
City Manager

EXHIBIT A

INTERNAL REVENUE CODE
CHART OF ELIGIBLE PROJECTS FOR PRIVATE ACTIVITY BONDS

Federal Law: The Internal Revenue Code provides that only the following private activity bonds may bear tax exempt interest:

1. Exempt facility bonds.
    a. Airports, docks and wharves, mass community facilities and high speed intercity rail facilities.

    b. Facilities for the furnishing of water.

    c. Sewage facilities and solid waste disposal facilities.

    d. Residential rental projects.

    e. Local furnishings of electric energy or gas.

    f. Local district heating or cooling facilities.

    g. Qualified hazardous waste facilities.

    h. Environmental enhancements to hydroelectric generating facilities.

2. Mortgage revenue bonds.

3. Qualified small issue bonds. Such bonds are limited to $20 million dollars which limit includes the amount of both bonds and capital expenditures during six (6) year period beginning three (3) years before and ending three (3) years after bonds are issued. Small issue bonds are available only for manufacturing facilities.

4. Student loan bonds.

5. Qualified development bonds.

6. Qualified 501(c)(3) bonds.

It should first be noted that to have tax-exempt bonds ninety-five percent (95%) or more of the bonds' net proceeds must be used for the exempt facilities or purposes. Other requirements specifically relating to private activity bonds include the requirements for: an allocation of the state private activity bond volume cap; a TEFRA hearing; and a two percent (2%) limit on the amount of the costs of issuance paid from tax exempt bond proceeds. However, with respect to qualified 501(c)(3) bonds, the federal law among other matters, does not require such bonds to receive an allocation of the state volume cap and does not limit the type of facility financed by a 501(c)(3) entity provided such facility is owned by the 501(c)(3) entity and used for its nonprofit purpose.

EXHIBIT B

EASTERN ILLINOIS ECONOMIC DEVELOPMENT AUTHORITY
REQUEST FOR TRANSFER OF PRIVATE ACTIVITY BOND VOLUME CAP

1817 S. Neil St.
Champaign, IL 61820

Telephone: 866/325 – 7525
Fax: 866/325 - 7569

March 27, 2013

The Honorable Stephen Stockton, Mayor
City of Bloomington, P. O. Box 3157
109 E. Olive St.
Bloomington, IL 61701-5219

Dear Mayor Stockton:

The Eastern Illinois Economic Development Authority (EIEDA) respectfully requests consideration for the transfer of your 2013 Home Rule Volume Cap to EIEDA for economic development and housing projects. EIEDA has developed relationships with home rule communities and other regional development authorities in working together to accommodate the Volume Cap needs of their projects.

Some years, EIEDA has more projects than Volume Cap and other years we have more Volume Cap than projects. At the end of the calendar year, Volume Cap can be carried forward for three years, but once carried forward; it can no longer be transferred. We have developed a mutually beneficial relationship between communities, counties and other regional development authorities to graciously share this valuable resource for the benefit of the region. We feel it is fair to help a neighbor that has helped us in the past. The rising tide raises all of the boats.

As you may be aware, home rule communities receive a direct allocation in 2013 equal to their population times $95. The 2013 State of Illinois Allocation guidelines identify Bloomington's population at 77,071, so your 2013 Volume Cap Allocation is $7,321,745. You are required to obligate this allocation by May 1st of each calendar year or it automatically goes back to the State of Illinois for reallocation to other entities in June of each calendar year. If the City of Bloomington would consider passing an ordinance transferring their 2013 allocation to EIEDA prior to May 1st, then EIEDA would be able to keep this cap until December 31st. This action would allow the City to maintain control of their Volume Cap past May 1st. It is important to approve the resolution before May 1 and send the notification letter to the Governor before May 10.

EIEDA is interested in serving in this capacity in order to develop a relationship with home rule communities to be able to trade cap in up and down years. We respectfully request if you have no need for the cap by September 1st that you allow us to use it to benefit the residents of EIEDA. If the City is interested, I have taken the liberty of enclosing a draft ordinance for you to review as well as a draft letter to the Governor's Office. I am available to meet with any city official you wish regarding this matter. Please call me at 866-325-7525 if you have any questions. Any correspondence should be addressed to: EIEDA Chicago, 1608 W. Belmont Ave., Suite 203, Chicago, IL 60657. Thank you.

Sincerely,

Andrew Hamilton
Executive Director

RESOLUTION 2013 – 06

A SPECIAL RESOLUTION AUTHORIZING THE CEDING OF PRIVATE ACTIVITY BONDING AUTHORITY

WHEREAS, the Internal Revenue Code of 1986 provides that the amount of private activity bonds which may be issued by the City of Bloomington ("City") as a constitutional home rule unit is equal to its population multiplied by $95.00; and

WHEREAS, the Illinois Private Activity Bond Allocation Act (30 ILCS 345/1 et seq.) provides, among other things, that the corporate authorities of any home rule unit may reallocate to a state agency any portion of its unused allocation of volume cap; and

WHEREAS, the City of Bloomington has available year 2013 volume cap and desires to utilize this cap in cooperation with the Eastern Illinois Economic Development Authority (EIEDA) to support the projects that will create jobs and expand the City's tax base;

NOW THEREFORE, be it resolved by the City Council of the City of Bloomington, Illinois:

Section 1. Consent to Reallocate to EIEDA. The City hereby agrees to reallocate to the Eastern Illinois Economic Development Authority its 2013 private activity volume bonding cap in the amount of $7,321,745. Said private activity volume bonding cap shall be used to support projects that will provide job opportunities and new investments.

Section 2. Letter of Agreement. The City Finance Director is hereby authorized to execute a letter of agreement with EIEDA consenting to such allocation on behalf of the City as authorized.

Section 3. Maintaining Records. The City Finance Director is hereby authorized to maintain such record of the allocation for the term of the bonds issued pursuant to such allocation.

Section 4. Notice. The Mayor shall provide notice of such allocation to the Office of the Governor.

Section 5. Effective Date. This resolution shall be effective from and after its passage.

ADOPTED this 22nd day of April, 2013.

APPROVED this 23rd day of April, 2013.

Signed: Stephen F. Stockton, Mayor

ATTEST:

Tracey Covert, City Clerk

Motion by Alderman Fazzini, seconded by Alderman Fruin that the transfer of the City's 2013 Volume Bond Cap to EIEDA, with a transfer fee agreement of one percent (1%), be approved, the Resolution adopted, and the Mayor and City Clerk be authorized to execute the necessary documents.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Fiscal Year 2013 Budget Amendments

RECOMMENDATION: That the Fiscal Year (FY) 2013 Budget Amendments be approved and the Ordinance passed.

BACKGROUND: State of Illinois statutes require expenditures incurred within each individual fund not to exceed the appropriation amount set forth in the annual budget of an established fiscal period. In an effort to strengthen the fiscal controls of the budgetary process, staff has prepared a list of budgetary amendments for FY 2013. This action corresponds with the August 24, 2009 discussion where staff committed to the Council that the majority of budget amendments would be presented in the fiscal year the expenditure occurred rather than in the proceeding fiscal year.

The FY 2013 Budget Amendment includes modifications to three (3) funds which include Sister City, Drug Enforcement and Market Square TIF Bond Redemption Fund. The budget amendment for the Sister City and Drug Enforcement Funds were based upon above average actual expenses and revenue, while the Market Square TIF Bond Redemption was due to the receipt of state and local matching revenue which occurred in FY 2013. With the end of FY 2013, staff will return to present year end amendments once the ledger is closed for FY 2013.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: The net impact on the City's FY 2013 budget from this series of budget amendments is the receipt of $373,302 in additional revenue. This net amount in comparison to expenditure represents approximately two tenths of one percent (.2%) within the City's FY 2013 Budget of $167,005,149.

Respectfully submitted for Council consideration.

Prepared by, financial &budgetary review by:	Timothy L. Ervin, Budget Officer
Reviewed by:	Patti-Lynn Silva
Reviewed by:	Barbara J. Adkins, Deputy City Manager

Recommended by:

David A. Hales
City Manager

ORDINANCE NO. 2013 - 20

AN ORDINANCE AMENDING THE BUDGET ORDINANCE FOR THE FISCAL YEAR ENDING APRIL 30, 2013

WHEREAS, on April 23, 2012 by Ordinance Number 2012 - 23, the City of Bloomington passed a Budget and Appropriation Ordinance for the Fiscal Year Ending April 30, 2013, which Ordinance was approved by Mayor Stephen F. Stockton on April 24, 2012; and

WHEREAS, a budget amendment is needed as detailed below;

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BLOOMINGTON, ILLINOIS:

Section One: Ordinance Number 2012 - 23 (the Budget and Appropriation Ordinance for the Fiscal Year Ending April 30, 2013) is further hereby amended by inserting the following line items and amounts presented in Exhibit #1 in the appropriate place in said Ordinances.

Section Two: Except as provided for herein, Ordinance Number 2012 - 23 shall remain in full force and effect, provided, that any budgeted or appropriated amounts which are changed by reason of the amendments made in Section One of this Ordinance shall be amended in Ordinance Number 2012 - 23.

Section Three: This Ordinance shall be in full force and effect upon its passage and approval.

PASSED the 22nd day of April, 2013.

APPROVED the 23rd day of April, 2013.

APPROVED:

Stephen F. Stockton
Mayor

ATTEST:

Tracey Covert
City Clerk

(EXHIBIT 1 ON FILE IN CLERK'S OFFICE)

Motion by Alderman Fazzini, seconded by Alderman Fruin that the FY 2013 Budget Amendments be approved and the Ordinance passed.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Review of Executive Session Minutes from 1995 - 2013

RECOMMENDATION/MOTION: That the Resolution be adopted.

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Objective 1.d. City services delivered in the most cost-effective, efficient manner.

BACKGROUND: The Open Meeting Act requires a semiannual review of approved Executive Session Minutes to determine whether to release any of these minutes to the public. Final action is taken in open session. This amendment was enacted in 2006.

A Resolution has been drafted as a record of the Council's action. The Council met on Monday, April 8, 2013 in Executive Session to review Executive Session Minutes. Resolution states that these Executive Session Minutes will be retained at this time. In addition, the verbatim audio recordings which have approved written minutes by Council eighteen (18) months prior to April 22, 2013 will be destroyed.

In compliance with the Open Meetings Act, City staff plans to present Executive Session Minutes for review to the Council during Executive Sessions scheduled during the months of February and August of each year.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: Not applicable.

Respectfully submitted for Council consideration.

Prepared by: Tracey Covert, City Clerk

Recommended by:

David A. Hales
City Manager

RESOLUTION NO. 2013 -05

A RESOLUTION REGARDING THE RETENTION OF EXECUTIVE SESSION MINUTES

WHEREAS, the City Council of the City of Bloomington, Illinois has met from time to time in executive session for purposes authorized by the Illinois Open Meetings Act; and

WHEREAS, pursuant to the requirements of 5 ILCS 120/2.06(c), a review of all closed session minutes has been completed; and

WHEREAS, the City Council has further determined that a need for confidentiality still exists as to the Executive Session Minutes from the meetings set forth on Schedule A, attached hereto; and

WHEREAS, the City may destroy audio recordings of approved written Executive Sessions eighteen (18) months prior to April 22, 2013.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BLOOMINGTON, ILLINOIS:

Section 1. The Executive Session Minutes from those meetings set forth on Schedule A, attached hereto, are hereby retained.

Section 2. The City Clerk is hereby authorized and directed to destroy the audio recordings of written and approved Executive Session Minutes eighteen (18) months prior to April 22, 2013.

Section 3. The Resolution shall be in full force and effect from and after its passage and approval according to law.

ADOPTED this 22nd day of April, 2013.

APPROVED this 23rd day of April, 2013.

Stephen F. Stockton
Mayor

ATTEST:

Tracey Covert
City Clerk

EXHIBIT A

DATE	**REASON TO RETAIN**
January 23, 1995	Section 2(c)(1) Personnel
June 12, 1995	Section 2(c)(2) Collective Bargaining
February 26, 1996	Section 2(c)(1) Personnel
October 14, 1996	Section 2(c)(2) Collective Bargaining
November 12, 1996	Section 2(c)(2) Collective Bargaining
February 24, 1997	Section 2(c)(1) Personnel
March 10, 1997	Section 2(c)(2) Collective Bargaining
May 12, 1997	Section 2(c)(2) Collective Bargaining
July 14, 1997	Section 2(c)(2) Collective Bargaining
October 13, 1997	Section 2(c)(2) Collective Bargaining
January 26, 1998	Section 2(c)(1) Personnel
July 14, 1998	Section 2(c)(2) Collective Bargaining
July 27, 1998	Section 2(c)(2) Collective Bargaining
December 28, 1998	Section 2(c)(1) Personnel
May 10, 1999	Section 2(c)(2) Collective Bargaining
June 14, 1999	Section 2(c)(2) Collective Bargaining
September 13, 1999	Section 2(c)(5) Purchase or Lease of Real Estate
November 22, 1999	Section 2(c)(1) Personnel
December 13, 1999	Section 2(c)(1) Personnel
December 11, 2000	Section 2(c)(1) Personnel
November 13, 2001	Section 2(c)(1) Personnel
May 28, 2002	Section 2(c)(2) Collective Bargaining
September 23, 2002	Section 2(c)(2) Collective Bargaining
November 12, 2002	Section 2(c)(1) Personnel
March 8, 2004	Section 2(c)(1) Personnel
May 10, 2004	Section 2(c)(2) Collective Bargaining
February 28, 2005	Section 2(c)(1) Personnel
March 14, 2005	Section 2(c)(1) Personnel
March 28, 2005	Section 2(c)(6) Sale or Lease of Real Estate
May 9, 2005	Section 2(c)(2) Collective Bargaining
August 14, 2006	Section 2(c)(1) Personnel
August 28, 2006	Section 2(c)(1) Personnel
August 13, 2007	Section 2(c)(2) Collective Bargaining
November 13, 2007	Section 2(c)(2) Collective Bargaining
December 10, 2007	Section 2(c)(1) Personnel

DATE	**REASON TO RETAIN**
January 7, 2008	Section 2(c)(1) Personnel
February 11, 2008	Section 2(c)(2) Collective Bargaining Section 2(c)(1) Personnel
June 9, 2008	Section 2(c)(5) Purchase or Lease of Real Estate
August 19, 2008	Section 2(c)(1) Personnel
October 13, 2008	Section 2(c)(5) Purchase or Lease of Real Estate
November 3, 2008	Section 2(c)(1) Personnel
November 17, 2008	Section 2(c)(1) Personnel
November 18, 2008	Section 2(c)(1) Personnel
November 19, 2008	Section 2(c)(1) Personnel
March 9, 2009	Section 2(c)(2) Collective Bargaining Section 2(c)(11) Litigation
March 30, 2009	Section 2(c)(2) Collective Bargaining Section 2(c)(1) Personnel
April 6, 2009	Section 2(c)(2) Collective Bargaining Section 2(c)(1) Personnel
April 13, 2009	Section 2(c)(2) Collective Bargaining
April 27, 2009	Section 2(c)(2) Collective Bargaining Section 2(c)(11) Litigation
May 26, 2009	Section 2(c)(2) Collective Bargaining
June 8, 2009	Section 2(c)(2) Collective Bargaining
June 22, 2009	Section 2(c)(2) Collective Bargaining
July 27, 2009	Section 2(c)(2) Collective Bargaining
August 10, 2009	Section 2(c)(2) Collective Bargaining
September 28, 2009	Section 2(c)(2) Collective Bargaining Section 2(c)(5) Purchase or Lease of Real Estate Section 2(c)(6) Sale or Lease of Real Estate
December 14, 2009	Section 2(c)(2) Collective Bargaining
January 11, 2010	Section 2(c)(2) Collective Bargaining
January 25, 2010	Section 2(c)(2) Collective Bargaining Section 2(c)(5) Purchase or Lease of Real Estate Section 2(c)(12) Settlement
February 8, 2010	Section 2(c)(2) Collective Bargaining Section 2(c)(6) Sale or Lease of Real Estate
February 22, 2010	Section 2(c)(2) Collective Bargaining
March 22, 2010	Section 2(c)(11) Litigation
April 5, 2010	Section 2(c)(2) Collective Bargaining
April 26, 2010	Section 2(c)(6) Sale or Lease of Real Estate Section 2(c)(2) Collective Bargaining
June 28, 2010	Section 2(c)(1) Personnel

DATE	REASON TO RETAIN
September 27, 2010	Section 2(c)(1) Personnel
November 8, 2010	Section 2(c)(5) Purchase or Lease of Real Estate Section 2(c)(12) Settlement
November 22, 2010	Section 2(c)(2) Collective Bargaining
March 14, 2011	Section 2(c)(12) Settlement
March 28, 2011	Section 2(c)(2) Collective Bargaining Section 2(c)(6) Sale or Lease of Real Estate
May 9, 2011	Section 2(c)(2) Collective Bargaining Section 2(c)(11) Litigation
June 13, 2011	Section 2(c)(2) Collective Bargaining Section 2(c)(12) Settlement
July 11, 2011	Section 2(c)(11) Litigation Section 2(c)(1) Personnel
August 8, 2001	Section 2(c)(12) Settlement Section 2(c)(5) Purchase or Lease of Real Estate Section 2(c)(6) Sale or Lease of Real Estate
December 19, 2011	Section 2(c)(5) Purchase or Lease of Real Estate Section 2(c)(12) Settlement
May 29, 2012	Section 2(c)(2) Collective Bargaining
August 27, 2012	Section 2(c)(1) Personnel Section 2(c)(12) Settlement Section 2(c)(11) Litigation
November 13, 2012	Section 2(c)(1) Personnel
December 10, 2012	Section 2(c)(12) Settlement Section 2(c)(1) Personnel
December 17, 2012	Section 2(c)(2) Collective Bargaining Section 2(c)(1) Personnel
February 25, 2013	Section 2(c)(29) Meet with External Auditors Section 2(c)(2) Collective Bargaining

Mayor Stockton introduced this item.

Todd Greenburg, Corporation Counsel, addressed the Council. He cited the statutory requirement to review Executive Session Minutes. This was a Council responsibility. This is part of the Open Meetings Act (OMA) and was addressed under the provisions for Executive Session Minutes. The Council has the ability to meet in Executive Session for a variety of reasons, (i.e. purchase or lease of real estate, collective bargaining, personnel, security concerns, etc.). The reasons are delineated in the OMA. The review should be conducted semi annually. An audio recording of Executive Sessions has been required under the OMA since 2006. He cited Section 2.06(f) of the OMA. City staff's recommendation was to retain these minutes at this time. The minutes would remain confidential. He noted the need to balance the public's interest and privacy. He cited

various reasons to retain these minutes, (promote candor, privacy interest, competitive interest, tactical issues regarding collective bargaining, etc.). The Council met in Executive Session on April 8, 2013. The review was overdue. In the future, reviews would be conducted in February and August of each year.

Alderman Stearns questioned the number of Executive Sessions. Mr. Greenburg referred the Council to Exhibit A. Alderman Stearns noted that there were a number of meetings. She expressed her interpretation of the OMA. The Council's review was overdue. Mr. Greenburg noted that the Council's action would mean that the City was in compliance.

Alderman Stearns addressed the spirit of the act. She believed that there were some minutes which were no longer confidential. There must be matters which were not current. She questioned when Executive Session Minutes would be released. She cited the public's expectations. She had spoken with Diane Benjamin. Ms. Benjamin planned to file another OMA complaint with the Attorney General's Office. Under the spirit of OMA, minutes needed to be released. Mr. Greenburg restated that the decision was up to the Council.

Alderman Stearns stated that there would be a new Council and a new Mayor. Mr. Renner ran on an open government platform. Executive Session Minutes should be released. She believed that the minutes from 1995 should be released. She restated her interpretation of the law.

Alderman Fazzini stated that there were eighty-two (82) sets of minutes. In his opinion, there had been a time crunch. This item needed to be approved for the City to be in compliance with OMA. He added that the Council intended to release those that were no longer confidential.

Alderman Stearns expressed her interest in a practical solution. She appreciated Alderman Fazzini's comments. The City failed to follow the law. The Council needed to release Executive Session Minutes.

Mayor Stockton regretted that the review had not been done. The City's goal was compliance. The Council would take additional time to address this issue. He offered his apology. The Council would continue to work on same. He added his belief that Executive Session Minutes would be released.

Motion by Alderman Fazzini, seconded by Alderman Stearns that the Resolution be adopted.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: An Ordinance Establishing the Salary for the City Manager and Make Retroactive Salary Adjustments and an Employment Agreement between the City of Bloomington and City Manager David A. Hales

RECOMMENDATION/MOTION: That the Contract be approved, Ordinance passed, and the Mayor and City Clerk be authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 1. Financially sound City providing quality basic services.

STRATEGIC PLAN SIGNIFICANCE: Goal 1. Objective d. City services delivered in the most cost effective manner.

BACKGROUND: On December 8, 2008, the Council approved the initial employment agreement with David A. Hales, City Manager. The original contract had an expiration date of April 30, 2009.

On May 11, 2009, the City entered into a second contract with Mr. Hales. This contract will expire on April 30, 2013. A renewal of the current contract is proposed.

There are a few changes to the proposed new contract. The contract term will commence on January 12, 2013 to coincide with Mr. Hales' anniversary date with the City. The new contract is scheduled to expire on January 11, 2017. Paid vacation days will be increased from twenty (20) to twenty-five (25) days.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Not applicable.

FINANCIAL IMPACT: None beyond the financial term set forth in the Contract itself.

Respectfully submitted for Council consideration.

Prepared by:	Tracey Covert, City Clerk
Reviewed by:	Emily Bell, Director of Human Resources
Financial & budgetary review by:	Timothy Ervin, Budget Manager
Reviewed as to legal sufficiency:	J. Todd Greenburg, Corporation Counsel

Recommended by:

Stephen F. Stockton
Mayor

CONTRACT BETWEEN
THE CITY OF BLOOMINGTON AND DAVID A. HALES

THIS AGREEMENT, made and entered into this 22^{nd} day of April, 2013 by and between the City of Bloomington, Illinois, a municipal corporation, hereinafter called "The City", as party of the first part, and David A. Hales, hereinafter called "The Manager", as party of the second part, both of whom understand as follows:

WITNESSETH:

WHEREAS, the City has a Council-Manager form of government pursuant to referendum; and

WHEREAS, the City desires to employ the services of David A. Hales as City Manager of the City of Bloomington as provided by the City Code of the City of Bloomington, 1960, as amended; and Article 5 of Chapter 65 of the Illinois Municipal Code, Illinois Compiled Statutes, 2012, as amended; and

WHEREAS, it is the desire of the City Council to provide certain benefits, establish certain conditions of employment and to set working conditions of employment for the Manager; and

WHEREAS, it is the desire of the Council to (1) retain the services of the Manager and to provide inducement for him to remain in such employment, (2) make possible full work productivity by assuring the Manager's morale and peace of mind with respect to future security, (3) act as a deterrent against malfeasance or dishonesty for personal gain on the part of the Manager, and (4) provide just means for terminating the Manager's services at such time; and

WHEREAS, the Manager desires employment as City Manager of the City of Bloomington;

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS HEREIN CONTAINED, THE PARTIES AGREE AS FOLLOWS:

SECTION ONE: DUTIES –

A. City hereby agrees to employ said David A. Hales as City Manager of said City to perform the functions and duties specified in said City of Bloomington City Code, 1960, as amended, and to perform other legally permissible and proper duties and functions as the Council shall from time to time assign, and as provided by law.

SECTION TWO: TERM –

A. This Agreement shall commence on January 12, 2013. Nothing in this agreement shall prevent, limit or otherwise interfere with the right of the Council to terminate the services of Employee at any time, subject only to the provisions set forth in Section 4, of this Agreement.

B. Nothing in the Agreement shall prevent, limit or otherwise interfere with the right of the Employee to resign at any time from his position with Employer, subject only to the provisions set forth in Section 4 of this Agreement.

C. Employee agrees to remain in the exclusive employ of Employer until January 11, 2017, and neither to accept other employment nor to become employed by any other employer until said termination date, unless said termination date is effected as hereinafter provided.

D. Employee shall not be prohibited from occasional teaching, writing, consulting or self-employment activities not in conflict with Employer's interests.

E. Employer and Employee shall give the other party notice of intent to continue employment beyond January 11, 2017. Such notice shall be provided on or before July 12, 2016. Upon receipt of such notice, the parties shall meet to determine whether or not employment shall be extended beyond January 11, 2017, and the terms and conditions of such employment.

SECTION THREE: SUSPENSION AND TERMINATION -

A. The City may suspend or terminate the Manager with full pay and benefits at any time during the term of this Agreement, but only if:

1. The Manager and a majority of the Council agree, or

2. After a public hearing, a majority of the Council votes to suspend or terminate the Manager for just cause; provided, however, that the Manager shall have been given written notice setting forth any charges at least ten (10) days prior to such hearing by the Council. Just cause is defined as the commission of any act involving moral turpitude which places the City into disrepute or intentional disobedience to or negligence in following lawful directives of the City Council as expressed in its legislative actions or its annual evaluation of the City Manager.

SECTION FOUR: TERMINATION AND SEVERANCE PAY -

A. The Manager may be terminated by a majority vote of the members of the full governing body at a duly authorized public meeting. Further, if the City acts to amend any provisions of the ordinance pertaining to the role, duties, powers, authority and responsibilities of the Manager's position that substantially changes the nature of the position and/or the form of government, then the Manager may declare that such amendments constitute a termination.

In the event a termination of the Manager occurs before expiration of the aforesaid term of employment and during such time that Manager is willing and able to perform his duties under this Agreement, then in that event, the City agrees to pay the Manager a lump sum cash payment equal to six (6) months aggregate salary, allowances, and 75% of the cost of health insurance premiums as severance pay as defined in this Agreement. The Manager shall also be compensated for all accrued and earned vacation leave and personal leave days at the time of termination. The severance pay or lump sum cash payment equal to six (6) months aggregate salary, allowances, and 75% of the cost of health insurance premiums together with compensation for all accrued and earned vacation leave will also be paid by the City in the event a new employment agreement with similar terms and conditions of employment is not entered into within thirty days of the termination date of this Agreement by the new mayor and City Council. However, in the event the Manager is terminated because of his conviction of any illegal act involving personal gain to him, or any felony or entering into a plea or other agreement for such an offense, then in that event, City shall have no obligation to pay the aggregate severance sum designated in this paragraph.

B. In the event Manager voluntarily resigns his position, notwithstanding the resignation provisions in paragraph A above, before expiration of the aforesaid term of his employment, then Manager shall give the City two (2) months notice in advance in Executive Session, unless the parties otherwise agree, and Manager shall not be entitled to any severance pay, as provided in Paragraph A of this Section.

SECTION FIVE: DISABILITY –

A. If Manager is permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, or mental incapacity for a period of four (4) successive weeks beyond any accrued sick leave, or for twenty (20) working days over a thirty (30) working day period, City shall have the option to terminate this Agreement, subject to the severance pay requirements of Section Four, paragraph A. However, Manager shall be compensated for any accrued vacation and other applicable benefits.

SECTION SIX: SALARY -

A. City agrees to pay Manager for services rendered pursuant hereto an annual base salary of one hundred seventy one thousand and three hundred dollars ($171,300.00) effective January 12, 2013, payable in installments at the same time as other Employees of the City are paid. In addition, the Council agrees to increase said salary and/or other benefits of Manager in such amounts and to such extent as the Council may determine that it is desirable to do so on the basis of any initial or annual salary review of said Manager made at the time of the performance evaluation specified in Section Seven. Upon the receipt of satisfactory performance evaluation reviews per Section Seven Manager shall be granted merit increases to Manager's base salary at the discretion of the Council. In the event the City adopts a practice of cost of living increases or economic adjustment increases for non-bargaining unit managers and employees of the City, such increases shall be provided to

Manager's base salary in the same manner as such other managers and employees. In addition, the Council may, at their sole discretion, grant bonuses and/or additional benefits or compensation for performance excellence or meritorious service. The Manager is eligible to participate in any deferred compensation programs offered by the City to its employees. In addition, the City will establish a Section 401(a) deferred compensation program for the City Manager under terms which will permit the City Manager to roll over contributions he has made to 401(a) programs established by previous employers and which will permit the City Manager to take loans from such 401(a) program.

SECTION SEVEN: PERFORMANCE EVALUATION -

A. The Council shall review and evaluate the performance of the Manager at least once annually prior to January 12th. The Council and Manager shall in accordance with specific performance and similar criteria develop said review and evaluation jointly. Said criteria may be added to or deleted from as the Council may from time to time determine, in consultation and agreement with the Manager.

B. On or before January 12th of each year, the Council and the Manager shall define such goals and performance objectives which they determine necessary for the proper operation of the City and in the attainment of the Council's policy objectives and shall further establish a relative priority among those various goals and objectives; said goals and objectives to be reduced to writing. They shall generally be attainable within the time limitations, as specified, and the annual operating and capital budgets and appropriations provided. The Manager shall, on or before the subsequent December 1st, deliver to the Council a narrative which details the manner in which the goals and objectives were accomplished, or, if one or more goals were not accomplished, the reasons why such goal or goals were not accomplished.

SECTION EIGHT: DISABILITY, HEALTH, DENTAL AND LIFE INSURANCE –

A. City agrees to provide Manager disability, health, dental, and life insurance as provided for all other non-bargaining unit Managers of the City.

SECTION NINE: PROFESSIONAL DEVELOPMENT –

A. Manager and City acknowledge the importance of the continued professional development of the Manager. In this regard, the City agrees to pay for the professional dues associated with the Manager's full participation and membership in the International City/County Management Association (ICMA) and the Illinois City/County Management Association (ILCMA). City further agrees to pay for reasonable registration and travel expenses associated with the Manager's attendance and participation in the annual conferences of the ICMA and the ILCMA. City also agrees to pay for reasonable travel and registration costs associated with the Manager's participation in other professional development activities that are deemed appropriate by the City.

SECTION TEN: INDEMNIFICATION –

A. City agrees to defend, save harmless, and indemnify Manager against any liability claim or other legal action arising out of any alleged act or omission occurring in the performance of the Manager's duties as City Manager, provided, however, that such indemnification shall not be extended to any criminal acts or acts involving moral turpitude or any judgment representing an award of punitive or exemplary damages in accordance with state statute.

SECTION ELEVEN: OTHER TERMS AND CONDITIONS OF EMPLOYMENT -

A. All provisions of the City Code, and regulations and rules of the City relating to sick leave, retirement and pension system contributions, holidays and other fringe benefits and working conditions as they now exist or hereafter may be amended, also shall apply to Manager as they would to other non-bargaining unit Managers of the City, in addition to said benefits enumerated specifically for the benefit of the Manager except as herein provided.

B. The Manager shall receive 25 days of paid vacation annually, effective and commencing on January 12, 2013.

C. Allowance for use of personal automobile for City business. The Manager shall receive the amount of $475.00 (four hundred seventy five dollars) per month to reimburse him for the use of his personal automobile within fifty miles of the City while on City business. The monthly allowance may be raised annually during, and in the same process, as the Manager’s salary increase review. The City also agrees to reimburse Manager for mileage for out-of-town travel associated with City business, at a rate commensurate with the rates provided to other employees of the City.

D. General Expenses. The City recognizes that certain expenses incurred by the Manager are of a non-personal and generally job-affiliated nature. Within governing policies and practices of the City, the City hereby agrees to reimburse or to pay said general expenses, and the Finance Director is hereby authorized to disburse such monies upon receipt of duly executed expense or petty cash vouchers, receipts, statements, or personal affidavits. Within governing policies and practices of the City, the Manager shall be issued a City corporate credit card for use in paying for general and other appropriate expenses and the Manager agrees to abide by any rules, regulations, policies and procedures in effect at the time of issuance, or thereafter amended by the City regarding the use of any corporate credit cards or credit accounts.

SECTION TWELVE: NO REDUCTION OF BENEFITS –

A. City shall not at any time during the term of this Agreement reduce the salary, compensation or other financial benefits of Manager, except to the degree of such a reduction across-the-board for all non-bargaining unit Managers of the City.

SECTION THIRTEEN: GENERAL PROVISIONS -

A. The text herein shall constitute the entire agreement between the parties.

B. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of Manager.

C. If any provision, or any portion thereof, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of the Agreement or portion thereof, shall be deemed severable, shall not be affected and shall remain in full force and effect.

DATE: April 23, 2013

Stephen F. Stockton
Mayor, City of Bloomington

DATE: April 25, 2013

David A. Hales
City Manager

ATTEST:

Tracey Covert
City Clerk

ORDINANCE NUMBER 2013 - 21

AN ORDINANCE ESTABLISHING THE SALARY FOR THE CITY MANAGER AND MAKING RETROACTIVE SALARY ADJUSTMENTS

WHEREAS, the salary of City Manager David A. Hales has not been increased since January 12, 2009, the date he assumed office as City Manager, said salary being $150,000; and

WHEREAS, in the contract between the City of Bloomington and David A. Hales, the City agreed to increase said salary and/or other benefits of the City Manager in such amounts and to such extent as the City Council may determine that it is desirable to do so on the basis of any initial or annual salary review of said Manager subject to satisfactory performance evaluations; and

WHEREAS, said contract also states that if the City adopts economic adjustment increases for non-bargaining unit managers and employees of the City, such increases shall be provided to the City Manager's salary in the same manner; and

WHEREAS, in 2009, a salary freeze was applied for all senior management that year; the performance of the City Manager was commendable, which would have resulted in an increase of 3%; and

WHEREAS, in 2010, the performance of the City Manager was commendable, which would have resulted in an increase of 3% in the City Manager's base salary effective January 12, 2011; and

WHEREAS, in 2011, the performance of the City Manager was outstanding, which would have resulted in an increase of 3.3% in the City Manager's base salary effective January 12, 2012; and

WHEREAS, in 2012, the performance of the City Manager was commendable, which would have resulted in an increase of 3% in the City Manager's base salary effective January 12, 2013; and

WHEREAS, a review of City Manager salaries in comparable municipalities shows that a market adjustment of $6,914 payable on January 12, 2012, in addition to the previous increases in base salary is appropriate, and that such market adjustment will not be applied to base salary in 2012 but will be applied to the base salary in future years;

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BLOOMINGTON, ILLINOIS:

Section One:

The base salary of the City Manager is established to be $154,500, retroactive to January 12, 2011.

The base salary of the City Manager is established to be $159,598, retroactive to January 12, 2012, with a separate market adjustment of $6,914, payable on January 12, 2012, which is not applied to the base salary, but which will be applied to the base salary in 2013 and future years.

The base salary of the City Manager is established to be $171,300, retroactive to January 12, 2013.

Section Two: This ordinance shall be effective upon passage and approval.

Section Three: This ordinance is passed and approved pursuant to the home rule authority granted by Article VII, Section 6 of the 1970 Illinois Constitution.

PASSED this 22nd day of April, 2013

APPROVED this 22nd day of April, 2013.

APPROVED:

Stephen F. Stockton
Mayor

ATTEST:

Tracey Covert
City Clerk

Mayor Stockton introduced this item and noted the length of the process. He acknowledged Alderman Sage who administered same. This was the last Council meeting before the City Manager's contract expired. The major change involved the salary adjustment which was merit based. This Council was the best group to evaluate Mr. Hales' performance. The Council met in Executive Session a number of times. The Council discussed Mr. Hales' performance during these meetings. A majority consensus had been reached. The City Manager's contract was a public record.

The key skill sought by the Council when Mr. Hales was hired was financial. Mr. Hales had performed well and been a key leader. The Council set policy and City staff carried it out. Mr. Hales had analyzed situations and addressed future City obligations. The City budget had seen authorized funds gone unspent. There had been millions of dollars in savings. It had not been easy. He cited the work load and the elimination of over a hundred (100) positions. Change was not without controversy.

Mr. Hales had not seen a salary increase since 2009. This performance review addressed four (4) years. The Council used the City's standard evaluation program for classified employees. He cited the various ratings per year with the percentage of salary

increase. He added that Mr. Hales had taken a salary freeze for his first year. In addition, the Council undertook a market comparison. The City needed to provide competitive salaries. Mr. Hales' salary was compared to other Central Illinois city managers. A market adjustment of $6,914 was made to his salary. The new salary was $171,300. This represented a 14.2% increase over the four (4) year period. He noted the average increase which included the market adjustment. The contract language was standard.

Alderman Sage recalled that Mr. Hales had been hired during the economic downturn. Mr. Hales had addressed the CIRPA/RIMCO (Central Illinois Risk Pooling Authority/Risk Insurance Management Co.). This resulted in a savings of $1.5 million. The City's work force had been reduced by 116 positions. He believed that the City could be more efficient. The City had refinanced some of its General Obligation bond debt which resulted in interest savings over $1 million. Financial policies had been adopted. Increase dollars had been directed towards street resurfacing. He cited economic development. There was a new budget process. He recognized the teamwork amongst City staff. Mr. Hales had met with individuals in the community, the press and attended neighborhood meetings. He did not believe that things would have happened without Mr. Hales. He cited the turnaround in the last four (4) years.

Alderman Stearns acknowledged Alderman Sage's efforts regarding this item. She also understood the process. She wanted to make her views clear. She had received feedback from citizens and noted Mr. Hales' impact upon the community. She questioned if Council action was legally required at this time. She believed that this item should be laid over until the new Mayor and Council were sworn in. Action on this item was not critical at this time. City employees, (collective bargaining), have continued to work with a contract. She was troubled by the thought of taking action this evening. She noted the timing, (i.e. new Mayor and new Council members). She questioned input from citizens and City employees. She cited managed competition which had endured for over three and half (3½) years. This issue had impacted employee morale.

She found this action, a $21,000 raise, and the request to take action on same ironic. Citizens were not seeing this size of salary increase. Tax dollars would be used to pay this salary increase. She believed that out of respect for the new Mayor and Council the vote on this item should be delayed. There was a disconnect with the City's employees and citizens. She also objected to a four (4) year contract. She acknowledged her minority position. She described the vote and night as sad. The new mayor would take a different approach.

Mayor Stockton noted that at the start of his first term in 2005, the previous Council had approved a contract for former City Manager Tom Hamilton. The contract contained a severance clause. The Mayor and Council were not powerless. The majority of the Council believed that this issue should be addressed at this time.

Alderman Fruin noted that it was unfortunate that this item appeared on this meeting's agenda. The salary increase percentage was cumulative over a four (4) year period. He also addressed the market adjustment. He compared the City Manager's

salary to the Prevailing Wage Resolution. The current Mayor and Council were the best group to evaluate Mr. Hales' performance. He recognized the Mayor's comments.

Motion by Alderman Sage, seconded by Alderman Fazzini that the Contract be approved, the Ordinance passed, and the Mayor and City Clerk be authorized to execute the necessary documents.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: Alderman Stearns.

Motion carried.

The following was presented:

SUBJECT: Text Amendment to Chapter 6. Alcoholic Beverages, BASSET Training Ordinance

RECOMMENDATION/MOTION: That the Ordinance be passed.

STRATEGIC PLAN LINK: Goal 5. Great place – livable, sustainable city.

STRATEGIC PLAN SIGNIFICANCE: Goal 5. Objective e. strong working relationships among the City, businesses, economic development organizations.

BACKGROUND: The Bloomington Liquor Commissioner Stephen Stockton called the Liquor Hearing to discuss the proposed draft BASSET, (Beverage Alcohol Sellers and Servers Education and Training), training ordinance. Present at the hearing were Liquor Commissioners Steve Stockton, Marabeth Clapp, Steve Petersen, Geoffrey Tompkins and Jim Jordan; George Boyle, Asst. Corporation Counsel and Tracey Covert, City Clerk.

Commissioner Stockton opened the liquor hearing. He added that some concern had been raised regarding training availability. The draft ordinance allowed sixty (60) days or another time as set by the Commission. The draft ordinance provided flexibility based upon when training was available.

Commissioner Clapp cited small establishments when English was spoken as a second language. She addressed the purpose of the required training.

Commissioner Stockton cited the ability to amend the City Code. He did not believe that the draft ordinance was unreasonable.

Commissioner Tompkins expressed his opinion that the small license establishments would benefit from BASSET training. BASSET training was also needed at these small establishments. Tracey Covert, City Clerk, informed the Commission that Thorton's had sent a letter regarding BASSET training. Thornton's held two (2) GPBS, (Gasoline, Packaged, Beer and wine only, Sunday sales) liquor licenses, located at 906 N. Main St. and 1101 N. Hershey Rd. The letter addressed the company's internal training program.

Commissioner Stockton noted that the training would start with the managers. The larger establishments would be required to train additional personnel.

Commissioner Petersen expressed his opinion that the draft ordinance was a good start.

Commissioner Stockton added that the state may require certified BASSET training in the future. It was noted that no current liquor license holders were present at the liquor hearing.

Motion by Commissioner Tompkins, seconded by Commissioner Petersen to recommended that the proposed Text Amendment, (draft BASSET training ordinance), be recommended to the City Council for adoption.

Motion carried, (viva voice).

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Public Hearing held on March 26, 2013 at the Bloomington Center for the Performing Arts. All liquor license holders were notified via mail at the business and mailing address.

The Agenda for the April 9, 2013 Meeting of the Liquor Commission was placed on the City's web site. There also is a list serve feature for the Liquor Commission.

FINANCIAL IMPACT: None.

Respectfully submitted for Council consideration.

Prepared by: Tracey Covert, City Clerk

Reviewed by: Robert Wall, Asst. Police Chief

Reviewed as to legal sufficiency: George Boyle, Asst. Corporation Counsel

Recommended by:

Stephen F. Stockton
Mayor/Liquor Commissioner

ORDINANCE NO. 2013 - 22

AN ORDINANCE AMENDING BLOOMINGTON CITY CODE CHAPTER 6

BE IT ORDAINED by the City Council of the City of Bloomington, Illinois:

SECTION 1. That Bloomington City Code Chapter 6 is hereby amended by adding Section 29 to read as follows:

SEC. 29 ALCOHOL EDUCATION TRAINING REQUIREMENTS.

(a) It shall be unlawful to sell, offer for sale or serve alcoholic liquor unless a minimum of 1 person employed by the licensee is present on the premises who has successfully completed a Beverage Alcohol Sellers and Servers Education Training (BASSET) course approved by the State of Illinois or another alcohol education and training course approved by the Bloomington Liquor Commission. Copies of certificates showing successful completion of said training shall be kept on the premises at all times and shall be made immediately available upon request to any law enforcement officer or Liquor Commissioner. For secondary and catering licenses, the premises shall be construed as the area where alcohol is being sold, poured or served.

(b) All holders of any class of liquor license within the City of Bloomington shall require the general manager of the business to successfully complete a BASSET or other alcohol education and training course approved by the Bloomington Liquor Commission. A copy of the certificate showing successful completion of said course shall be filed with the City Clerk's office and another copy shall be kept on the licensed premises at all times and made immediately available upon request to any law enforcement officer or Liquor Commissioner. All new general managers shall be allowed 60 days from the first date of commencement of work performed, or such other time as set by the Liquor Commission, to complete the required alcohol education and training course.

(c) Any class T license holder having an establishment with a fire occupancy load of over 100 persons shall be subject to the following requirements:

(1) At times when 8 or fewer employees are working at the establishment, there shall be a minimum of 1 employee on the premises who has completed BASSET or another alcohol education and training course approved by the Bloomington Liquor Commission;

(2) At times when more than 8 but fewer than 16 employees are working at the establishment, there shall be a minimum of 2 employees on the premises who have completed BASSET or another alcohol education and training course approved by the Bloomington Liquor Commission.

(3) At times when more than 16 but fewer than 24 employees are working at the establishment, there shall be a minimum of 3 employees on the premises who have completed BASSET or another alcohol education and training course approved by the Bloomington Liquor Commission.

4) At times when 24 or more employees are working at the establishment, there shall be a minimum of 4 employees on the premises who have completed a BASSET or another alcohol education and training course approved by the Bloomington Liquor Commission.

(d) Failure to comply with the requirements of this Section shall subject the licensee to fines, suspension or revocation of license as provided in Section 37 of this Chapter.

(e) The provisions of this Section shall become effective July 1, 2013.

SECTION 2. Except as provided herein, the Bloomington City Code, as amended, shall remain in full force and effect.

SECTION 3. The City Clerk shall be, and she is hereby directed and authorized to publish this Ordinance in pamphlet form as provided by law.

SECTION 4. This Ordinance is enacted pursuant to the authority granted to the City as a home rule unit by Article VII, Section 6 of the 1970 Illinois Constitution.

SECTION 5. This Ordinance shall take effect immediately upon passage and approval.

PASSED this 22nd day of April, 2013.

APPROVED this 23rd day of April, 2013.

APPROVED:

Stephen F. Stockton
Mayor

ATTEST:

Tracey Covert
City Clerk

Mayor Stockton introduced this item. This text amendment addressed BASSET training. The Commission considered this item for some time. The Town of Normal considered a BASSET training ordinance and voted it down. It would have required BASSET training for all employees. He did not believe that this approach was practical.

A Public Hearing was held on the proposed ordinance on March 26, 2013. Attendance at same was limited. The biggest concern addressed a time line for completing the training. The City would begin with the establishments' managers. One (1) person, who had completed BASSET training, must be present in the establishment during business hours. The City had the ability to expand its requirement in the future if needed. It had been stated that BASSET certified staff can have a positive impact upon an establishment's insurance rates. He believed that this approach was reasonable. The largest establishments, which generally were taverns, would be required to have a number of employees present who were BASSET certified. He added that the Council, the Downtown Entertainment Task Force, (DETF), and the BNCCC, (Bloomington Normal Community Campus Committee), had all requested a requirement for BASSET training.

Alderman Fazzini cited a letter from Thornton's. This business held a packaged liquor license. The letter claimed that their company's training program was more stringent that BASSET training. He noted that City staff had responded to this letter. He questioned a liquor license holder's ability to avoid BASSET training.

Mayor Stockton read from the draft ordinance. The Liquor Commission had the authority to approve training other than BASSET. At this time, he questioned the Commission's ability to evaluate other training programs. This issue was raised by the DETF. The Commission generalized the text amendment and applied it city wide. He noted the recent Public Hearing and Commission meeting. Smaller establishments faced challenges such as staffing and limited hours. The draft ordinance provided sixty (60) days to complete the training.

Alderman Fazzini appreciated the difficulty. He readdressed Thorton's letter and a packaged liquor license holder. It appeared that exceptions would be minimal.

Mayor Stockton noted that the draft ordinance did not contain any language which addressed internal training programs. He added that there had been a number of violations at packaged establishments during police audits. He restated that the ordinance was amendable.

Motion by Alderman Schmidt, seconded by Alderman Fazzini that the Ordinance be passed.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Analysis of Bids for Eagle View Park Construction

RECOMMENDATION/MOTION: That the bid for Eagle View Park Construction be awarded to Stark Excavating, Inc., in an amount not to exceed $1,000,000, and the Mayor and City Clerk be authorized to execute the necessary documents.

STRATEGIC PLAN LINK: Goal 2. Upgrade City Infrastructure and Facilities; Goal 3 – Strong Neighborhoods; and Goal 5. Great Place to Live—Livable, Sustainable City

STRATEGIC PLAN SIGNIFICANCE: 2.d. Well-designed, well maintained City facilities emphasizing productivity and customer service; 3.e. Strong partnerships with residents and neighborhood associations; and 5.a. Well-planned City with necessary services and infrastructure.

BACKGROUND: Eagle View Park is identified in the 2005 East Side Plan Addendum to the 1997 Parks and Recreation Comprehensive Plan, (see NP#1, Neighborhood Park #1, located east of Towanda Barnes Rd., halfway between Fort Jesse and General Electric Rd.). It is also listed as a priority in the Near Term of the 2010 Parks Master Plan Update – due to the obligation for the Open Space Lands Acquisition and Development (OSLAD) Grant funding. After the completion of Gaelic Park, Eagle View Park rose to the highest priority in new park development in the current Parks Master Plan.

In June 2008, staff, with Council approval granted at the May 12, 2008 meeting, applied for the OSLAD Grant from the Illinois Department of Natural Resources (IDNR) and was subsequently awarded a $400,000 matching grant to develop Eagle View Park that carried an expiration date of December 31, 2011. The estimated cost to develop the park was set at $1 million. The City signed the Resolution from IDNR, stating "The City of Bloomington hereby certifies and acknowledges that it has 100% of the funds necessary, (includes cash and value of donated land), to complete the pending Open Space Lands Acquisition and Development (OSLAD)/Land and Water Conservation Funds (LWCF) project within the timeframe specified herein for project execution, and that failure to adhere to the specified project timeframe or failure to proceed with the project because of insufficient funds or change in local recreation priorities is sufficient cause for project termination which will also result in the ineligibility of the local project sponsor for subsequent IDNR outdoor recreation grant assistance consideration in the next two (2) consecutive grant cycles following project termination." A current concern is if the project is not bid out in a timely fashion, and construction progress has not been shown; then the City will not have met its obligation for "substantial" completion by December 31, 2013 as required by the grant.

On July 9, 2012, Council authorized the hiring of Planning Resources, Inc., park design firm, to complete final park design, construction documents, bid development, and construction management.

Staff inquired with the IDNR Grant Administrator about the possibility of another extension and was informed this project would not be considered for another extension until September or

October 2013. If the request is denied at that time, it would be too late for construction to meet the December 31, 2013 deadline. The City Manager has requested from the IDNR Director that an extension be considered now instead of September or October 2013 time frame. The IDNR Director has denied that request.

On April 3, 2013 at 10:00 a.m., bids were publicly opened and read for the construction of Eagle View Park. Seven (7) firms obtained bid documents and two (2) bids were received.

The bids received were as follows:

FIRM	LOCATION	BID PRICE
Stark Excavating, Inc.	Bloomington, IL	*$1,039,842.35
Rowe Construction	Bloomington, IL	$1,106,442.65

*Low and recommended bid

Staff will meet and value engineer with Stark Excavating, Inc., the low bidder, in order to make changes to the project to bring the price in under the $1,000,000 budget. The value engineering will make changes to the construction plan that will not affect the integrity of the project and comply with all OSLAD Grant requirements. Section B, Paragraph 1.26 of the bid specifications explicitly gives the City the ability to decrease the scope of work to be done under this contract and to omit any work in order to bring the cost within available funds.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: Public notice of the bid was placed in The Pantagraph on March 20, 2013 and two (2) bids were received on April 3, 2013. The City Purchasing Agent, IDNR and Eagle View subdivision neighbors.

FINANCIAL IMPACT: The FY 2013 Budget amendment passed by Council on Monday, April 8, 2013 appropriated $1,000,000 for the construction of Eagle View Park in line item 40100100-72570, (Park Construction & Improvement). The City will receive a $400,000 OSLAD grant to offset the total cost of the project, thus the net cost to the City will be $600,000. The General Fund has sufficient unrestricted fund balance to offset the net cost of $600,000. Since this project was not originally included within the FY 2013 Budget, stakeholders will not be able to locate this purchase in the FY 2013 General Fund Budget document.

Respectfully submitted for Council consideration.

Prepared by: John R. Kennedy, Director of Parks, Rec & Cultural Arts

Reviewed by: Barbara J. Adkins, Deputy City Manager

Financial & budgetary review by: Timothy L. Ervin, Budget Officer

Reviewed as to legal sufficiency: J. Todd Greenburg, Corporation Counsel

Recommended by:

David A. Hales
City Manager

Mayor Stockton introduced this item.

David Hales, City Manager, addressed the Council. There were two (2) bidders and Stark Excavating was the apparent low bidder. City staff was requesting that this bid be awarded in an amount not to exceed $1 million. Under the bid specifications, City staff has the authority to negotiate a reduction to the bid amount. City staff would provide work which would count towards in kind contributions. Certain park features would be left for a future date. He recommended approval.

Alderman Fazzini questioned if there would be a negative impact upon the grant.

John Kennedy, Parks, Recreation & Cultural Arts Director, addressed the Council. He responded negatively. The City must meet the grant requirements.

Motion by Alderman Fruin, seconded by Alderman Mwilambwe that the bid for Eagle View Park Construction be awarded to Stark Excavating, Inc., in an amount not to exceed $1,000,000, and the Mayor and City Clerk be authorized to execute the necessary documents.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Stearns, Mwilambwe, Schmidt, McDade, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: None.

Motion carried.

The following was presented:

SUBJECT: Alternative A: A Managed Competition Statement Establishing the Goals, Proposed Benefits, Principles, and Process of Administration. Alternative B: Improved Delivery of City Services Statement

<u>RECOMMENDATION/MOTION:</u> That Council provide staff with direction in the manner in which the City evaluates the efficiency and effectiveness of service delivery through the adoption of a Managed Competition Statement or an Improved Delivery of City Services Statement for the purpose of providing transparent, quality, basic municipal services at competitive market rates.

STRATEGIC PLAN LINK: Goal 1. Financially Sound City Providing Quality Basic Services; Objective d. City services delivered in the most cost-effective, efficient manner.

STRATEGIC PLAN SIGNIFICANCE: The mission of the City is to be financially responsible providing quality, basic municipal services at the best value. As stated in the City's Strategic Plan, the principles of the Mission to be financially responsible are:

- Maintaining reserves consistent with City policies
- Delivering services in the most cost-effective manner
- Focusing on core City services
- Maintaining and enhancing City's bond rating
- Partnering and contracting with private sector
- Transparency and understanding of how the City and contractors spend tax dollars
- Growth paying for growth – services and infrastructure

At the request of the Council, staff has prepared a managed competition statement to assist the City in its endeavor to remain financially responsible providing quality, basic municipal services at the best value.

BACKGROUND: Over the past several decades, the role of government as a monopolistic provider of public services has evolved into a role as a partner with the private and non-profit sectors in the delivery of public services. More consistently, local governments have chosen to involve others in service delivery due to limited and/or declining resources, increased demands, and the recognition that partnerships can leverage quality and cost effective services delivered to the public. At the same time, local governments continue to deliver many services competitively in-house and also retains the responsibility for core services that require a certain level of government control and accountability.

In the spring 2009, with the overarching goal of providing quality services to the public in a cost effective manner, Council indicated their interest in introducing elements of managed competition to programs and services offered by the City. In January 2010, the Council unanimously adopted the 2010 > 2015 > 2025 Strategic Plan with a goal of delivering quality basic services in the most cost effective, efficient manner in efforts to remain a financially sound City. In April 2010, City staff participated in a fact finding visit to Glenview, IL to learn more about the Village's managed competition program and historical successes. A report on staff's research and findings were presented to Council in September 2010 which included organizational and demographical comparisons of both municipalities. To date, staff has continued to research policy initiatives such as managed competition and alternative service delivery methods. City staff members have reached out to City leaders in Carrolton, TX, a city with a ten plus (10+) year mature managed competition program, and to learn more about their experiences with such an initiative. It was discovered that in Carrolton, TX managed competition very rarely resulted in bidding out services and the City discovered in many respects that City workers, once required to go through the research process, became highly competitive when compared to the private sector.

Managed Competition and Alternative Service Delivery Methods have also resulted in bringing services in-house and under the purview of the City workforce. The City has already experienced instances where services were abandoned by the private sector and taken on by the City. Emergency Medical Services (EMS) have not always been a City provided service. In 2006 and 2007, the City prepared for and transitioned EMS services in-house from the private sector as the area hospitals signified their intent to discontinue the provision of the service. A clear Managed Competition statement will assist the City in providing a framework for the analysis required to make the decision to expand and/or reduce City services.

City leadership is currently making significant investments to ensure employees are providing efficient service delivery and competitive to private market operations. FY 2012 the City purchased four (4) automated recycle trucks costing $290,396 per vehicle for a total investment of $1,161,584. In FY 2013, the City purchased seven (7) automated garbage trucks for a total investment of $2,130,985. This transition to automated refuse and recycle collection will result in a reduction of costs, provide for a safer work environment for City employees and implement best practices in the field of solid waste management.

The proposed statement (Alternative A) has been amended from the January 14, 2013 Managed Competition Policy presented to Council. Staff has refocused some of the language in the current proposed statement to be more reflective of the ideals of fair and equitable treatment of City employees while encouraging cost effective and competitive service delivery. Included in the “Process” section of the current proposed statement is the inclusion of guidelines for facilitating a managed competition process as it pertains to instances where services may be transferred to outside agencies.

With the guidance and direction from Council, staff recommends a managed competition statement be adopted to provide transparency and accountability to tax paying constituents in the cost for City provided services. The proposed Managed Competition Statement shall serve as the City’s framework in the evaluation of City performance measures, including cost, while enhancing the accountability and transparency to citizens and local stakeholders.

Included for alternative Council consideration is an Improved Delivery of City Services statement authored by Mayor Stockton. This statement is provided to Council for the purpose of adoption in lieu of a managed competition policy. The statement would provide direction in the City’s approach to evaluating services. The simplified statement (Alternative B) is being offered as a less involved and procedural process.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: *City Unions Invited to Informational Meeting:* 362 Support Staff, 362 Inspectors, 362 Parking Attendants, Local 699 Public Works & Parks, Lodge 1000, Local 49, Unit 21, Sgts. and Lts., and Telecommunicators.

FINANCIAL IMPACT: The FY 2014 Budget dedicated funds for technical consultant services, expert visitors, and performance auditor services on an as needed basis. Costs associated with these competitive service analyses and consulting services have the potential to be outweighed by potential savings due to managed competition practices.

Respectfully submitted for Council consideration.

Prepared by: Alex McElroy, Assistant to the City Manager

Financial & budgetary review by: Timothy L. Ervin, Budget Officer

Reviewed as to legal sufficiency: J. Todd Greenburg, Corporation Counsel

Recommended by:

David A. Hales
City Manager

ALTERNATIVE A

CITY COUNCIL STATEMENT ON MANAGED COMPETITION

The City Council wishes to provide efficient and effective municipal services at the highest quality and the lowest cost. In the evaluation of the most efficient and effective way to provide municipal services, the City shall introduce free market principles to encourage a competitive environment in efforts to maintain lower operational costs while retaining high quality services.

Rationale

The process of examining current service levels, identifying costs associated with service delivery, and evaluating future needs encourages transparency and accountability to tax paying constituents. Fostering a competitive environment enhances the City's ability to ensure lower costs are achieved while the quality of services remains high.

Goals of Competition

The goals of a competitive process extend beyond cost factors and shall reflect a breadth of qualities which align with the broader public interest.

- Increase responsiveness to citizenry through flexible service delivery.
- Increase efficiencies in service delivery.
- Improve and/or sustain quality and levels of service provided.
- Encourage creativity and innovation in the delivery of services.
- Identify opportunities to leverage resources.
- Reduce costs and/or avoid costs.
- Ensure the City's mission and scope of services evolves with the changing environment.

Benefits of a Competitive Process

- When a public service participates in a competitive process, management and employees must determine exactly what work is accomplished on a daily basis. While this may seem rudimentary, this process may reveal additional work being completed which management and/or department leaders were not aware.
- During a competitive process, City employees should feel empowered to suggest ways of improving efficiency in their daily work. As service departments match budget dollars to tasks performed and involves employees in the process, the creative ideas of employees can be unleashed for the betterment of the work environment. If employees feel management is listening to their ideas, a more cohesive workplace is possible.
- Employees involved in the competitive process participate and contribute with increased energy and incentive. Competition with the private sector is an excellent motivator for City employees.
- The teamwork environment of a competition effort builds a stronger service program with a more cohesive workforce. Employees and management are motivated to work together as a team, not just as individuals.
- Service program audits provide employees feedback on performance levels they may have never received before. The competition process gives employees and management clear goals, and dollar savings to strive for each quarter.
- Competition builds a sense of pride within service departments and among the employees themselves. When a department wins a competition effort, the entire service department and the entire City workforce are proud of the winning department.

Principles

The premise of the Managed Competition process is that competition in the marketplace produces value for customers and that either in-house or alternative service delivery methods may produce superior value for citizens.

- Fair and respectful treatment of employees shall be a cornerstone of Managed Competition. To achieve the participation and acceptance of City Employees, the City shall involve employees throughout the development and implementation process. The City shall establish appropriate structures to ensure on-going participation of the employees, including but not limited to, labor and management teams and employee surveys.
- The City's commitment to employment stability for City employees affected by the competition process shall be dependent upon employee and union commitment to flexible redistribution of resources, such as alternative career paths, broadened class specifications, and other measures to allow employees to assume greater and/or different responsibilities in a cost effective manner.
- The implementation of the competition process shall be consistent with other City policies, collective bargaining agreements and public policy goals.
- The City shall make every reasonable effort to enhance the ability of employees to compete successfully on an on-going basis.

Process

- The Council will have final approval of services to be examined for service contracts. This approval process will include a systematic assessment of current City services to determine the appropriate level of service to be provided, whether by City employees, by private contractor, by consolidation of services or by other means. The City Manager will recommend to the Council specific services to be considered for service contracts.
- The Council will determine whether the cost to provide a service in-house is provided at the lowest cost consistent with service level standards. If the actual cost of providing a service is about the same whether achieved by City staff or private contractors, competitive bidding may be used to examine other factors to determine if it would better further City goals by providing the service using employees, private contractors, or by some other means. Impacted employee groups will be provided with an opportunity to participate in the bidding process.
- Any service considered for competitive bidding will be evaluated in conjunction with other Council priorities and policies. The assessment will help determine which services will be subject to competitive proposal and in what amount, and to identify any special provisions which may need to be included in specifications.
- It is the general policy of the City to continue to utilize its employees to perform work they are qualified to perform. However, the parties recognize that in the interests of efficiency or economy, a managed competition process may be implemented. After evaluation through the managed competition process if the City chooses an option which results in significant deviation from past practice and where the implementation of the process will result in the layoff of one or more bargaining unit employees, the City will notify the Union and offer the Union an opportunity to negotiate the decision to subcontract such work, provided:
    - If the Union desires to negotiate, it shall provide the City with written notification no later than ten (10) business days following receipt of the City's notice. Failure to timely request negotiations will entitle the City to proceed with subcontracting.
    - Such negotiations shall begin not less than ten (10) business days following the date the City receives the Union's demand to bargain unless mutually agreed otherwise.
    - Such negotiations conclude not later than sixty (60) calendar days after the City's original notice to the Union, absent mutual agreement otherwise. Absent conclusion of such negotiations in a timely manner, the City may proceed to implement such decision.
- The impact or effects of such decision have been pre-bargained and the parties have agreed that any non-probationary employee who is laid off as a result of the City's decision to subcontract out work shall:
    - Be paid for any earned unused vacation and personal days. In the event that a laid off employee is laid off employee is recalled, he/she regains any accumulated sick time that existed prior to layoff;
    - Remain on the City's recall list for a minimum of two (2) years plus one (1) additional month for each year of service to a maximum of five (5) years. Seniority shall accumulate during such absence.
    - Be eligible to bid on posted positions while on the recall list and provided the

employee has the required knowledge, skill, and ability be given preference over non-City applicants and current non-full time employees, provided such is not in any violation of any City collective bargaining agreement.

Challenges

- Efforts will be made to minimize the impact on current City employees affected by competition. Each competition recommendation will include an assessment of the effect on employees and recommendations to manage any negative impact upon the workforce.
- An assessment of the best way to provide a level playing field for the City and for all potential private service providers will be made. This assessment will take into account the level of importance the public places on specific City services and will endeavor to address that factor in the proposal process and bidding specifications.

ALTERNATIVE B

CITY COUNCIL STATEMENT ON IMPROVED DELIVERY OF CITY SERVICES

A key goal of our municipal government is to optimize the quality of life for our citizens at a reasonable cost. City services, especially for public safety, are vital components of quality of life; however, our government cannot provide everything to everybody and must prioritize and balance costs with available revenues. We must ensure that our services are provided responsively and efficiently. Protecting the value of our taxpayers' dollars requires that we continually evaluate which services we provide and how we provide them. We will – in partnership with employees and contractors – be responsive to both diminishing and emerging public needs, carefully monitor our costs and performance, actively seek and adopt creative new ideas and innovative technologies, compare alternative methods and adopt best practices as appropriate, and openly discuss potential changes with each other to draw out the knowledge, experience and dedication of all stakeholders. Our collective goal is to make our city a better place for living, working, and visiting. We will continue to improve upon our competitive ability to retain and attract both jobs and citizens to enhance our mutual prosperity into the future.

Mayor Stockton introduced this item. Managed competition had been discussed for a number of years. He noted the Center for Government Studies at Northern Illinois University Alternative Service Delivery Workshop which was held on April 18, 2013. This was a complex issue. Managed competition has been seen as outsourcing. He noted the possibility for job transfer. The Council must spend taxpayer dollars wisely. He cited taxpayers' expectations. There needed to be a partnership between the Council, City management and the employees. He cited ambulance services as an example. He recalled Lifeline Ambulance and the past practice of dual response. EMS, (Emergency Medical Services), were brought in-house. He cited the City's investment in vehicles, equipment and staff training. There was the possibility that services being provided outside of the City might be brought in-house.

He suggested that the term performance management would be better. If the City found inefficiencies then it needed to address same. The City needed to be receptive to new ideas. There was an obligation to the taxpayers to be as efficient as possible. City employees took pride in their work.

The Council was interested in a basic policy statement which it could build upon as a foundation. There needed to be trust between the parties. He cited Mayor elect Renner's union support. Mayor Stockton restated his belief that this could work but the Council needed to be partners with the City's employees. He cited the two (2) alternatives: A was based upon the original draft and B was a short statement. Solid waste had been cited as a targeted service. He believed that by working with City employees more efficient ways would be found.

David Hales, City Manager, addressed the Council. He informed them that Alex McElroy, Asst. to the City Manager, had attended the Workshop on April 18, 2013. Every City job would be on the line. Every year a variety of City services would be looked at. This would be a long process. He cited Carrollton, TX, as an example. This city had implemented managed competition ten (10) years ago. As of this date only three (3) of fifteen (15) city services had been contracted out. There needed to be employee collaboration and internal competition. The goal was continuous improvement. The City needed to provide efficient and effective services with a customer service focus. All City positions would be looked at. He also noted that in San Diego, CA, citizens placed a managed competition referendum on the ballot. Taxpayers wanted taxed relief. They did not want their taxes raised. The expectation was for the City to be creative and control costs. The City must compete in a global market.

Mr. Hales addressed option B which he described as a general statement. The City needed to change its culture. Taxpayers were demanding innovation and cost efficiency.

Mayor Stockton believed that there was agreement on the basic principles. City employees took pride in their work and provided quality services. The Council needed to build a partnership based upon trust with the employees.

Alderman Fazzini expressed his opinion that it was important that new hires would start with contract employees. He addressed efficiency. The City needed to give its employees the opportunity to be efficient. He cited automated recycling and refuse collection as examples.

Mr. Hales informed the Council that the City spent $5 – $6 million on solid waste automation. This was a major investment which addressed safe and efficient operations.

Alderman Purcell noted the $97 billion of unfunded state pension fund liability. The City had $120 million in unfunded pension fund liability. He had visited the Village of Glen View. Managed competition was important. Pension liability was one of the reasons. He cited the City's ERI (Early Retirement Incentive) program. This program was offered instead of employee layoffs. He believed that the state would take the City's Local

Government Distribution Fund estimated at $2 million. The Police and Fire Pension Funds would need $8 million in Fiscal Year 2015. The total impact upon the City's budget would be $10 million. He expressed his concern regarding future pension obligations.

He had visited the Village of Glen View in 2009. The village was run like a business. Managed competition had worked well for Glen View. He cited this village's communication center as an example as it was operating at a profit. Glen View had outsourced building inspections and finance functions. The City needed to be transparent and address its employees total compensation package. Managed competition presented a better way. Individuals needed to know the facts. He expressed his willingness to compromise.

Alderman Mathy noted his recent tenure on the Council. He had spoken with City residents and employees. He noted the high level quality services provided by the City. The City must spend its dollars wisely. He expressed support for Alternative B. The key word was partnership. The City could learn from its employees. In order to save money, the City needed to find large items that resulted in real savings. Forming a partnership would empower the employees.

Alderman Mwilambwe had considered both alternatives. He noted the word competition. This term implied winners and losers. The Council must value City employees. He addressed Alternative B. He noted the phrase in partnership. The Council needed to bring City employees back to the table. He cited their experience during the past few years. He believed that the only way to achieve results was by working in partnership. In the end, he believed that the City employees would prevail by being innovative.

Alderman McDade addressed the language contained in Alternative B. She believed that everyone wanted effective and efficient government. The Council and the City's employees needed to explore solutions. The City needed to be financially healthy for it to have a sustainable future. The future would look different. Big ideas had been presented which required a climate of trust and empowerment. The Council and City staff needed to sit at the table and go beyond language in order to reach innovation. The future was uncertain. She believed that the idea of managed competition was past its prime. She planned to vote no on this item.

Alderman Fruin repeated a few themes. He noted the various individual perspectives on this issue. He cited lessons had been learned. Managed competition was misunderstood. Communication was important. He expressed support for Alternative B. He believed that it was fair to City residents and employees. This issue must be studied as a team project. The team would consist of City management staff, employees and residents. The process does not have to be adversarial. He believed that it would be a disservice to not address this issue. The pace of change has accelerated in both the public and private sector.

Alderman Stearns noted that years had been spent on this issue. Alternative B addressed quality and low cost. She believed that everyone wanted this. She believed that

managed competition was already happening. She cited the increase volume due to single stream recycling as an example. The City was receiving revenue for material that it would have paid to dispose of. Citizens were happy with City services because good service was provided. The Village of Glen View was a wealthy north shore community. The City of Bloomington was different. Citizens wanted quality and low cost. The alternatives presented meant nothing but the Council would pass something. The process had been mismanaged and had a negative impact upon staff morale. The new Mayor and Council would address this issue.

Mayor Stockton expressed his hope that the new Council would continue to move forward on this issue. He restated that the Council needed to build trust with the City's employees in order to form a partnership. The City was a great place. He thanked the City employees for attending this evening's meeting.

Motion by Alderman Fazzini, seconded by Alderman Sage that Alternative B. Improved Delivery of City Services Statement be approved.

The Mayor directed the clerk to call the roll which resulted in the following:

Ayes: Aldermen Mwilambwe, Schmidt, Mathy, Fazzini, Sage, Fruin and Purcell.

Nays: Aldermen Stearns and McDade.

Motion carried.

CITY MANAGER'S DISCUSSION: David Hales, City Manager, informed the Council that the Swearing In Ceremony would be held at City Hall on Wednesday, May 1, 2013 at 5:00 p.m. in the Council Chambers. There would be a Council Retreat on Monday, May 6, 2013 at 4:30 p.m.

ALDERMAN'S DISCUSSION: Alderman Purcell thanked the citizens/residents of Ward 7. He took office in 2005. He also thanked the Mayor, Council, City Manager, and City department heads. He had gain a true understanding of the City. It had been rewarding to serve the City.

MAYOR'S DISCUSSION: Mayor Stockton noted that this would be his last Council meeting after eight (8) years. He had only missed two (2) meetings while attending Mayor's conferences. Being mayor ran your life. He had been fortunate to be Mayor here. He noted the timing: growth had slowed, the US Cellular Coliseum (USCC) controversy, and the global recession. The challenges had been underestimated. Elective office service was difficult. Compromise was a necessity. One cannot do it all and cannot stay still.

He cited a variety of accomplishment: restored revenues, decreased bonded debt, increased bond rating, the addition of the USCC and the Bloomington Center for the Performing Arts which added $6 million to the City budget, the USCC breaking even, etc. He also noted a variety of events: sales tax increase, increased fees for services, street

resurfacing reaching $4 million per year, new street construction reaching $2 million, lower property taxes, pot hole patching program improvements, sewer projects such as the Locust Colton CSO, (Combined Sewer Overflow), Sewer Fund returning to the black in 2014, ground water exploration and the southwest well field, Water Fund in the black, survived the 2012 drought without water restrictions, number of parks built – McGraw, Tipton, Bittner and Gaelic, park improvements, Downtown investment – Farmer's Market, digital radio system, cybercrime unit, reduced crime rates, EMS, (Emergency Medical Services), at the EMT – P, (Emergency Medical Technician – Paramedic), level, fire training tower, work with Town of Normal to address the communities northeast quadrant, construction of two (2) fire stations, automated single stream recycling – this automation would be extended to refuse collection, MUNIS system – ERP, (Enterprise Resource Planning,) which was a large investment, new City web site, national awards for financial reporting, web streaming of Council meetings, committee structure, number of master plans underway, increase volume in FOIA, the backlog of Council Proceedings had been addressed, Citizen Voice meetings, Citizen Summits, Council retreats, public comment, Police Department neighborhood meetings, surveys, water bill inserts.

The City was a top place to live, work and play. Housing values were stable. Foreclosures were limited. He noted family income levels and the low unemployment rate. Retail sales had also increased. He had proposed a visioning process which would engage citizens. The goal was to have a successful community which understood the importance of quality of life. This process had not been completed. The City needed a Downtown Plan. The Downtown was vital community asset and needed to become a destination. The City had a variety of infrastructure needs. Master plans would help the Council set priorities and address the City's capital needs.

Other issues included the City's water supply. He cited pensions and the need for a plan with basic principles. The City needed to keep its promises while equitably spreading the cost. The Council would be presented with alternatives. Economic development was key. It impacted quality of life, jobs and prosperity. The City's location was a challenge but investment in economic development must continue.

He had served gladly. The City was in better shape than he found it in. The Council as a team has accomplished much. It was time to go and give others an opportunity. He recognized Aldermen elect Kevin Lower and Scott Black and Mayor elect Tari Renner. He wished them all the best. The foundation was built. He thanked the citizens for their confidence in him. He also recognized those who worked on his campaigns for office. He thanked the Council, City Manager, Deputy City Manager, City department heads and employees. It was through the City's employees that the Council's direction is fulfilled. He also recognized those who had served on the City's various boards and commissions. He cited the McLean County Chamber of Commerce, the Convention and Visitors Bureau and the Economic Development Council.

In closing, he thanked his family and his wife, Linda, for their support in his role as Mayor.

Motion by Alderman Purcell, seconded by Alderman Fazzini, that the meeting be adjourned. Time: 9:37 p.m.

Motion carried.

Tracey Covert
City Clerk